

# Evidence Base, Private Sector Housing Strategy & Housing Strategy

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November 2023

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- The Commission
- The Evidence Base
- Private Sector Housing Strategy
- Emerging Priorities for the Housing Strategy
- Discussion, feedback and next steps



# The Commission



# Strategic Context

Development of new strategies must respond to:

- Social Housing Regulation Act & Housing Ombudsman
- Renters Reform Bill provisions
- Higher interest rates, mortgage (un)affordability and private landlords exiting the market
- Record high levels of temporary accommodation, rising homelessness and rough sleeping
- Inflationary pressure and impact on development viability
- Investment in existing stock rather than new supply
- GLA Pathway to Net Zero by 2030
- Increased poverty and 'Cost of Living' challenges
- Refugee & Migrant crisis
- Political uncertainty (prospect of General & Mayoral Elections in May 2024)



# Landlord Challenges

- The Council manages a wide range of building types and different tenures
- Fire safety and compliance, decarbonisation, major works and Decent Homes
- Damp and mould action plan with dedicated line to help speed up dealing with requests
- HRA pressures – rent increase below inflation
- Improve repairs performance and enhance role of DLO
- New housing management system to be introduced
- Resident Engagement Strategy for Housing Services
- Introduction of a new regulatory regime from April 2024



# Consumer Regulation

- Social Housing Regulation Act passed July 2023
- New social housing regulatory regime to be introduced from April 2024
- Increased oversight of local authority landlords, including accountability for TMOs
- Potential for unlimited fines, short-notice inspections and orders to carry out repairs
- Concerning trend of local authority landlords being subject to regulatory judgements and/or Housing Ombudsman maladministration findings (e.g. Camden, Lambeth, Southwark)



# Methodology

Secondary source  
evidence data

Household survey  
(1,213 responses from  
19,802 households)

Strategic  
documents review

Agent review

Stakeholder review  
(partners, tenants and  
landlords)

Officer discussions

Community  
consultation  
(573 responses)

Focus groups  
(x5)

# Community Consultation

- Inclusive research designed to enhance the evidence
- Trained 7 young Hackney residents to carry out face-to-face research
- Key areas across Hackney were targeted and the team linked into existing projects and activities
- Sites included community centres, local markets and parks, fun fairs, foodbanks and street interviews
- Covered Dalston, Shoreditch and Hoxton, Homerton, Clapton and Lea Bridge, Stamford Hill, Hackney Wick, Manor House and Hackney Central



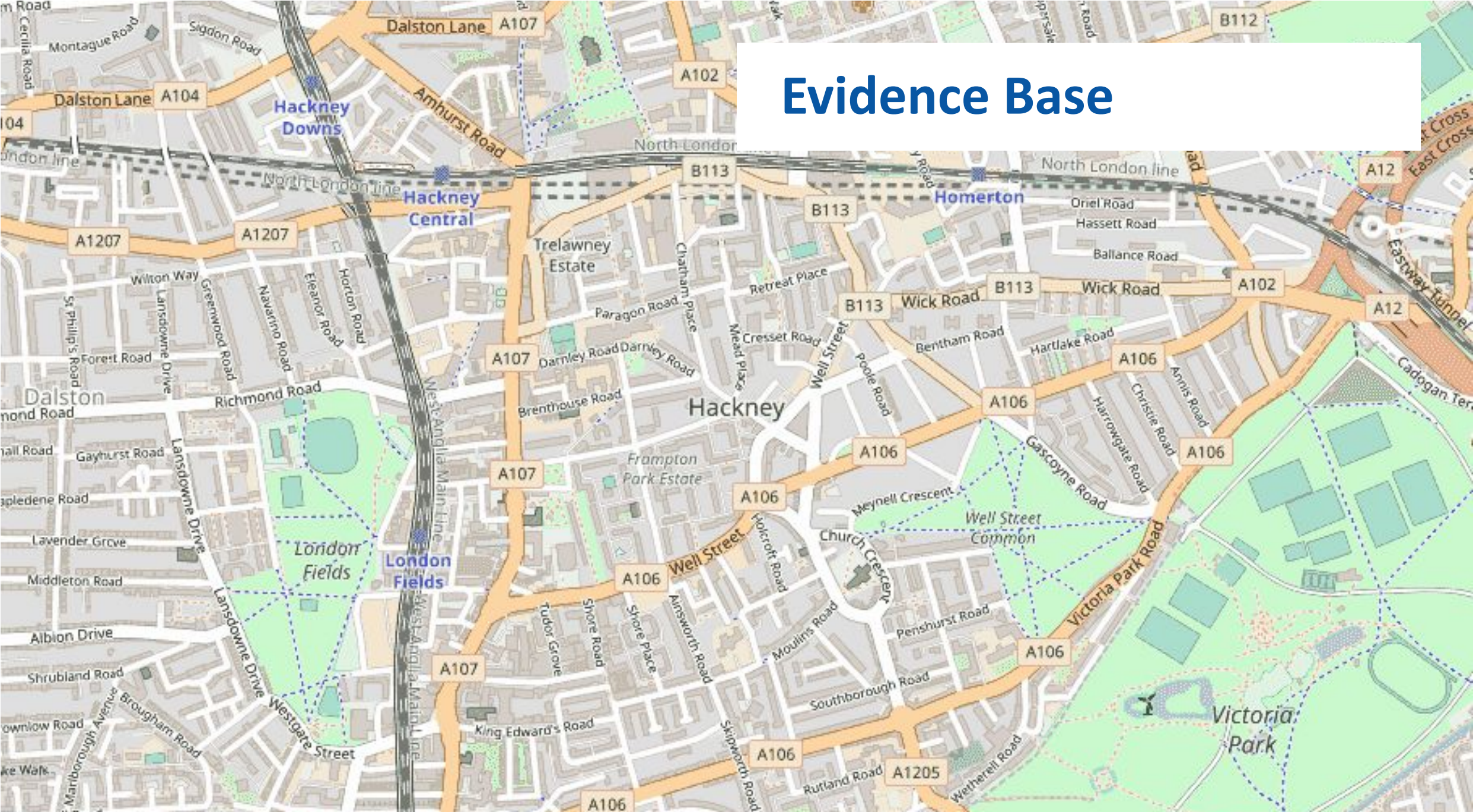


# Focus Groups

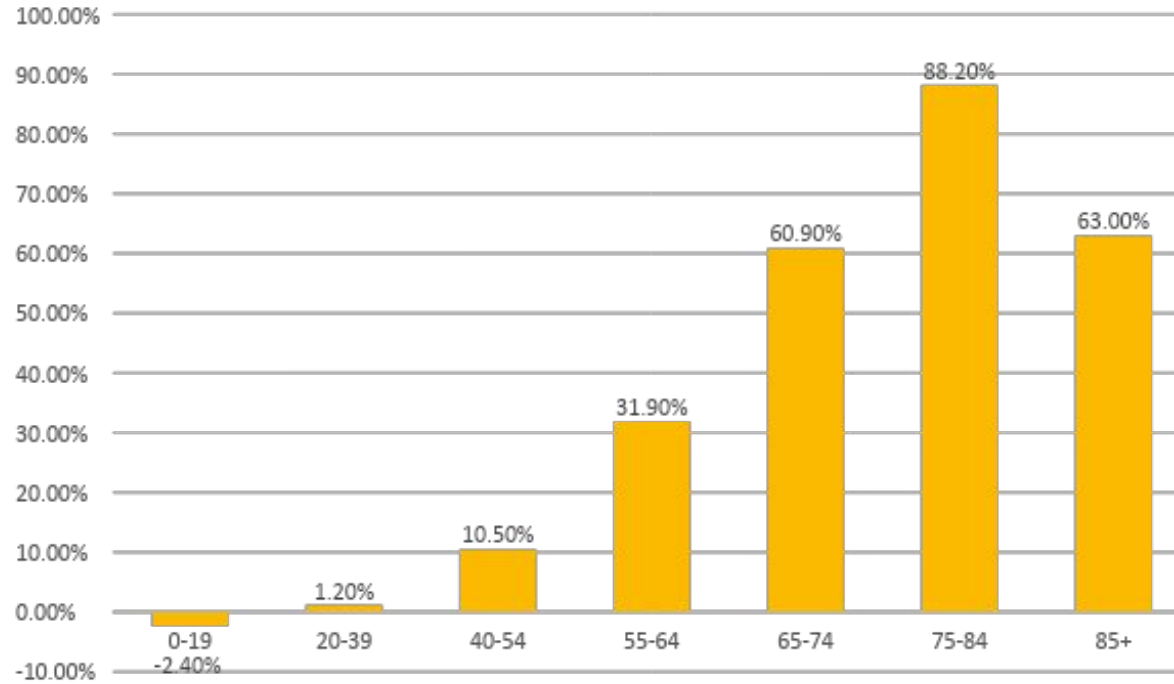
- Five focus groups scheduled – two online and three in-person
- Attendees to be recruited from ‘Hackney Matters’ panel to be reflective of borough demographics
- Co-facilitated by young researchers trained during community consultation
- To discuss the following topics:
  - Affordability & Choice
  - Housing Conditions
  - Area, Culture & Employment
  - Health & Wellbeing



# Evidence Base



# Population

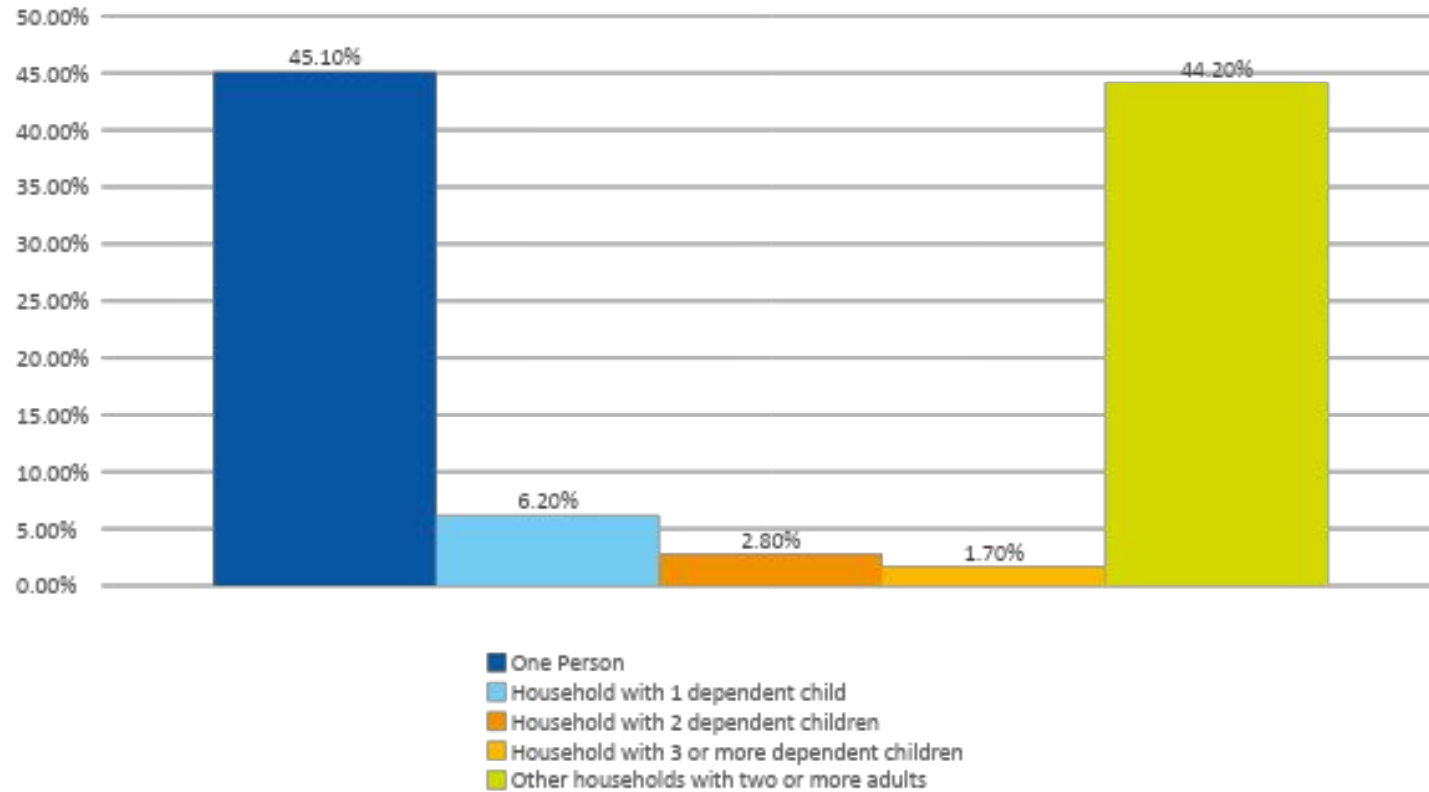


Source 2018-based ONS population projections

Age groups	2022	2039	Number change 2022-2039	% change 2022-2039
0-19	70,374	68,675	-1,699	-2.40%
20-39	114,854	116,246	1,393	1.20%
40-54	57,236	63,271	6,035	10.50%
55-64	24,444	32,233	7,790	31.90%
65-74	14,097	22,678	8,581	60.90%
75-84	6,939	13,062	6,122	88.20%
85+	2,948	4,806	1,858	63.00%
All Ages	290,891	320,970	30,079	10.30%

Pronounced rise in older population and slight fall in child population projected

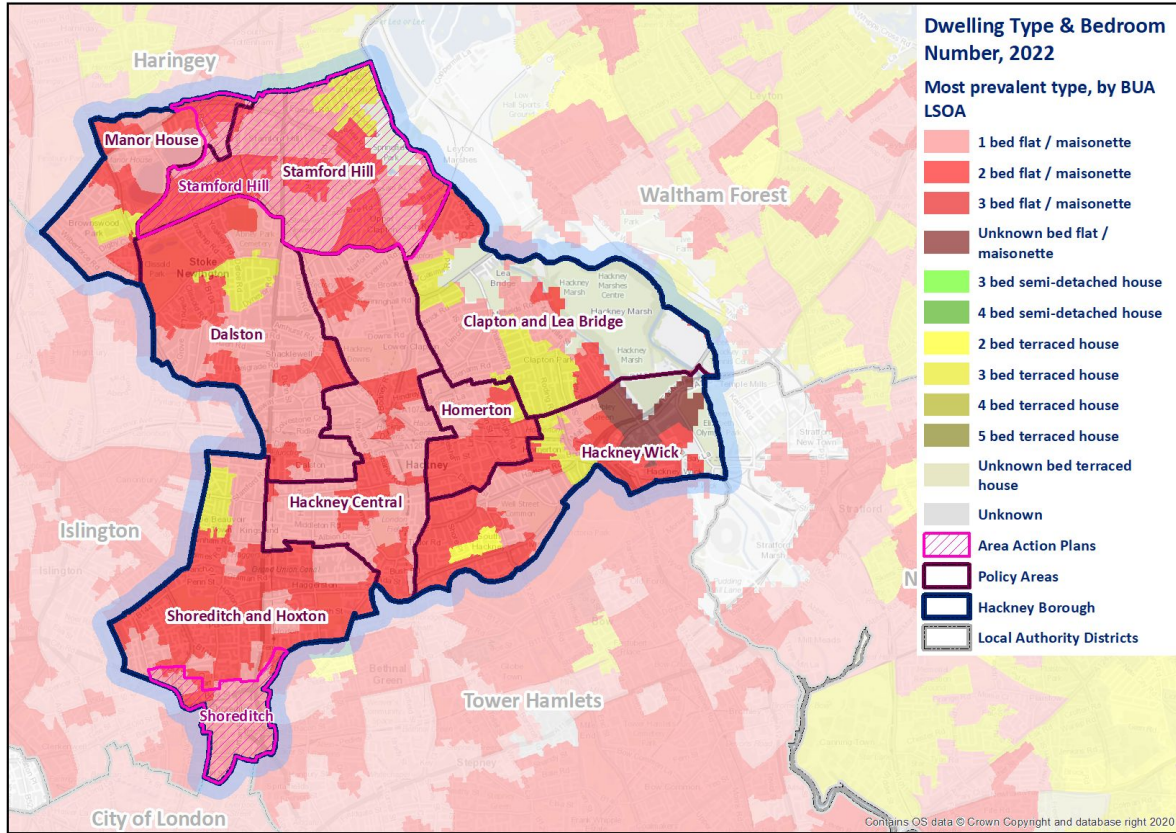
### Household types and change 2022 to 2039 (by age of household reference person)



Significant growth of single and co-habiting adults compared to families

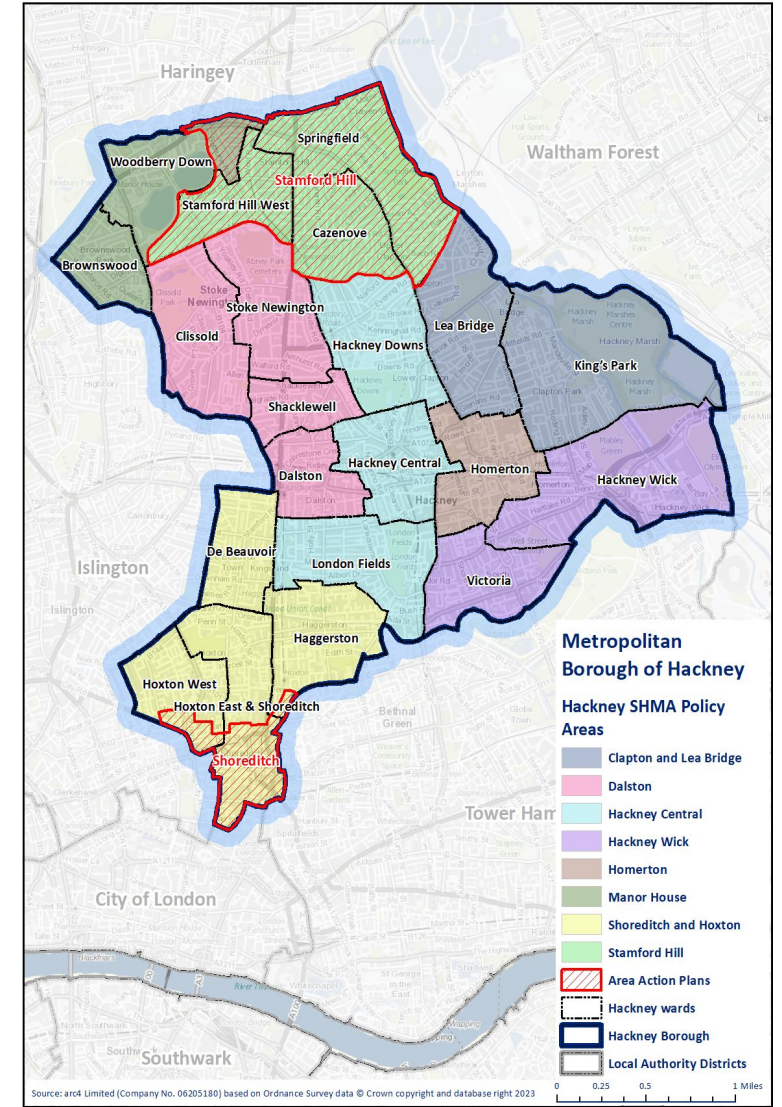
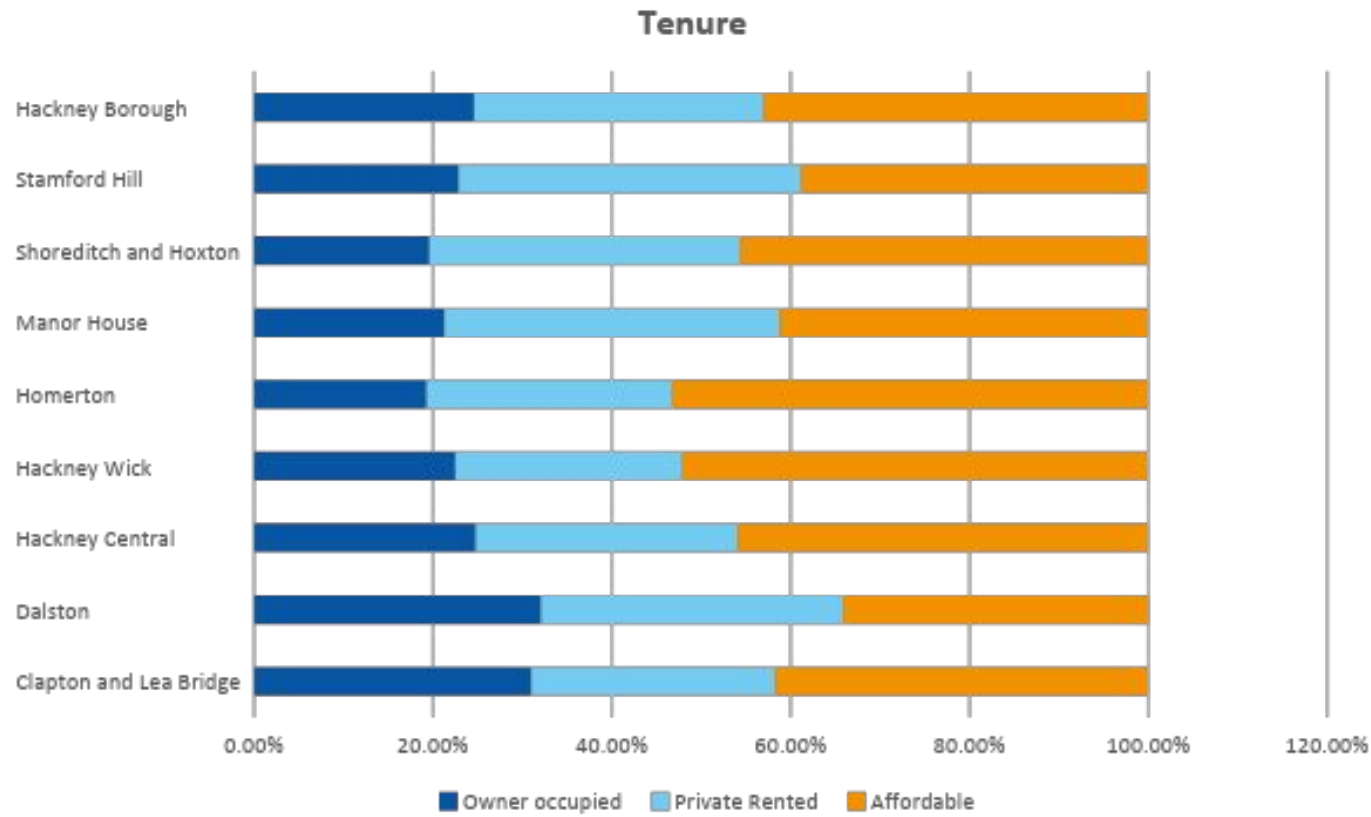
Source: ONS 2018-based household projections (Principal projection)

# Hackney in Numbers



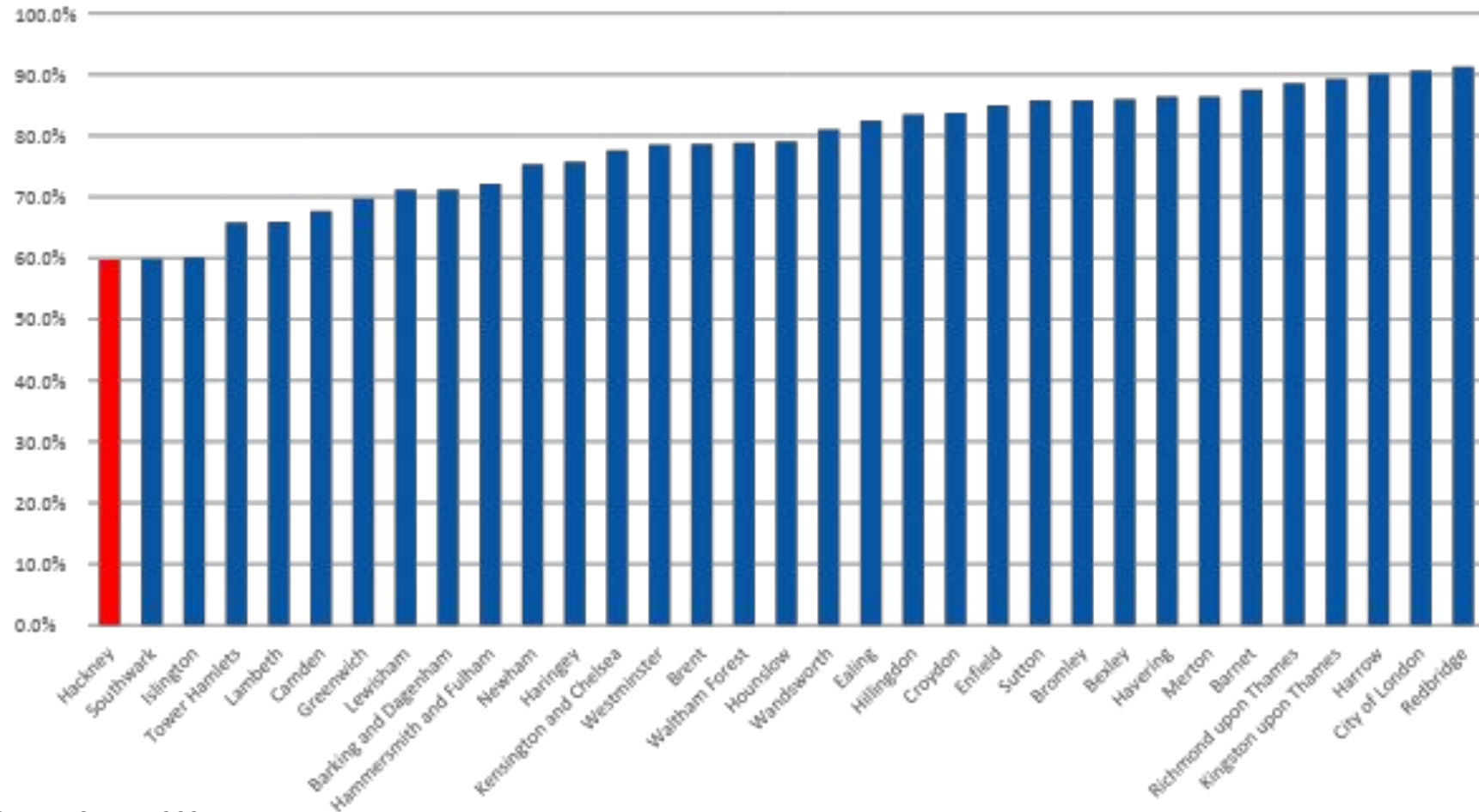
- 119,090 dwellings
- 106,087 households across the borough in 2022. The vacancy rate is 2.0%
- Most dwellings are flats (83.8%)
- 15.9% are houses
- 0.2% are bungalows
- 24.6% of households are owner occupiers
- 32.4% privately rent
- 43.0% live in affordable housing.

Source: Source: Valuation Office Agency 2022



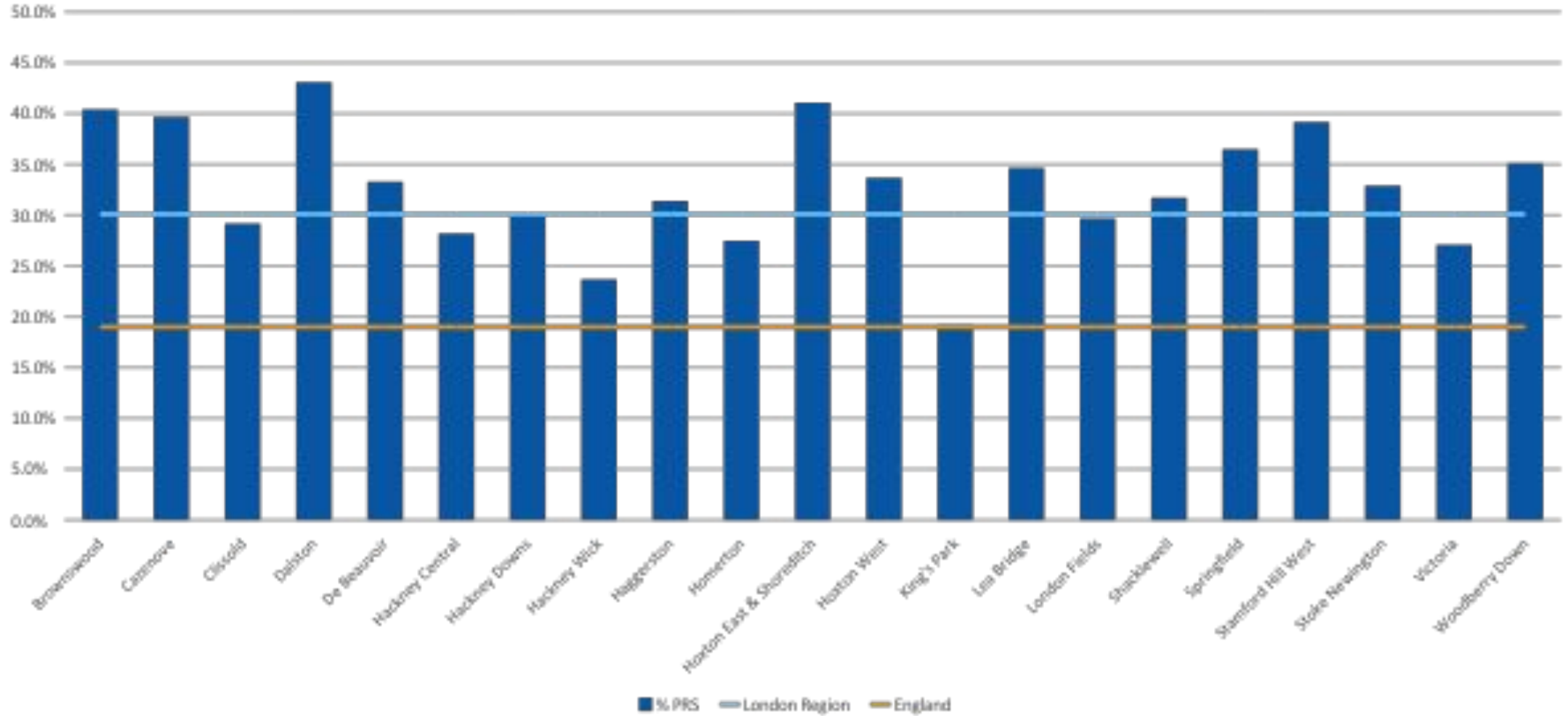
Source Census 2021

### % Private Sector Stock by London Borough



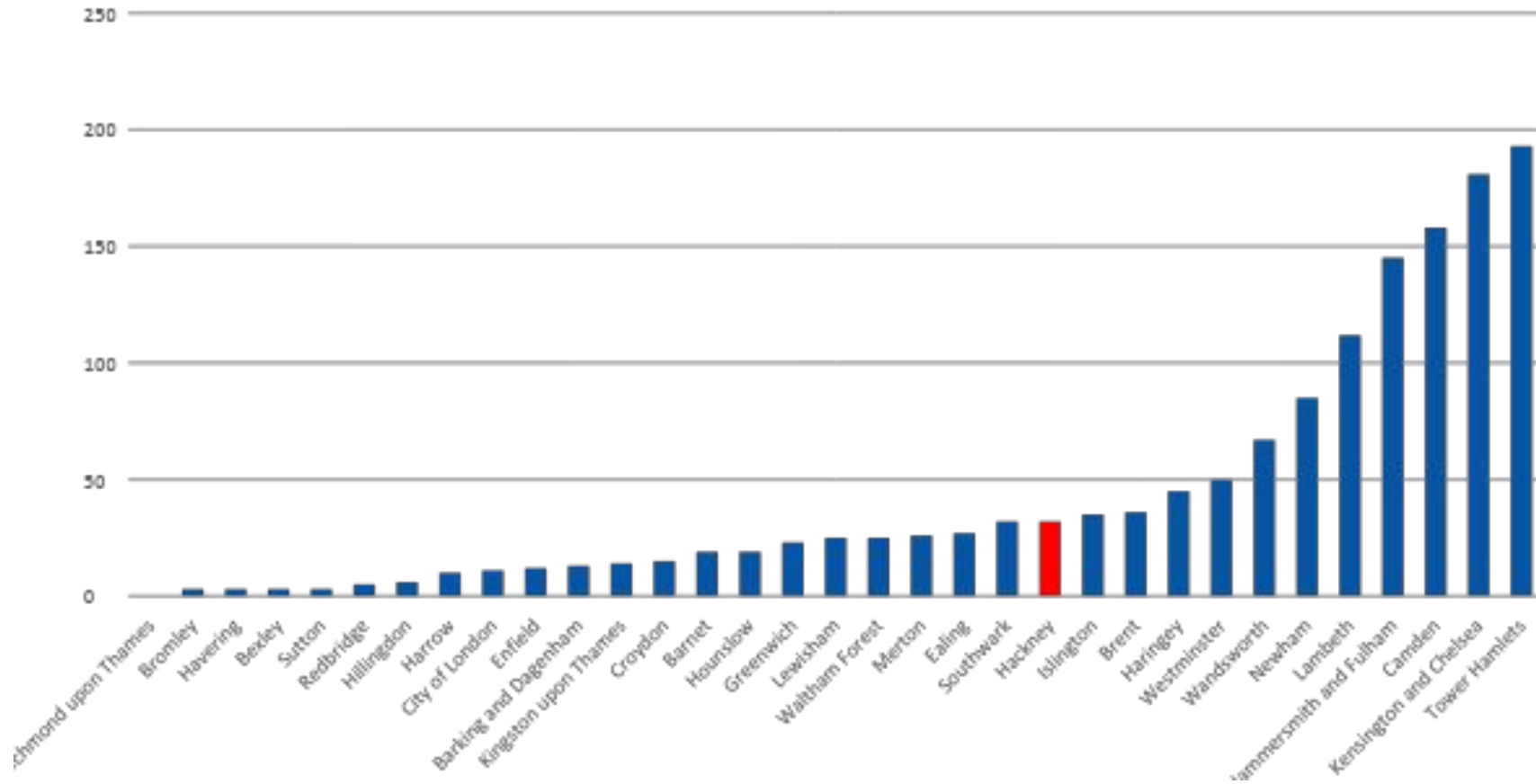
Source Census 2021

Size of the Private Rented Sector by ward (%)



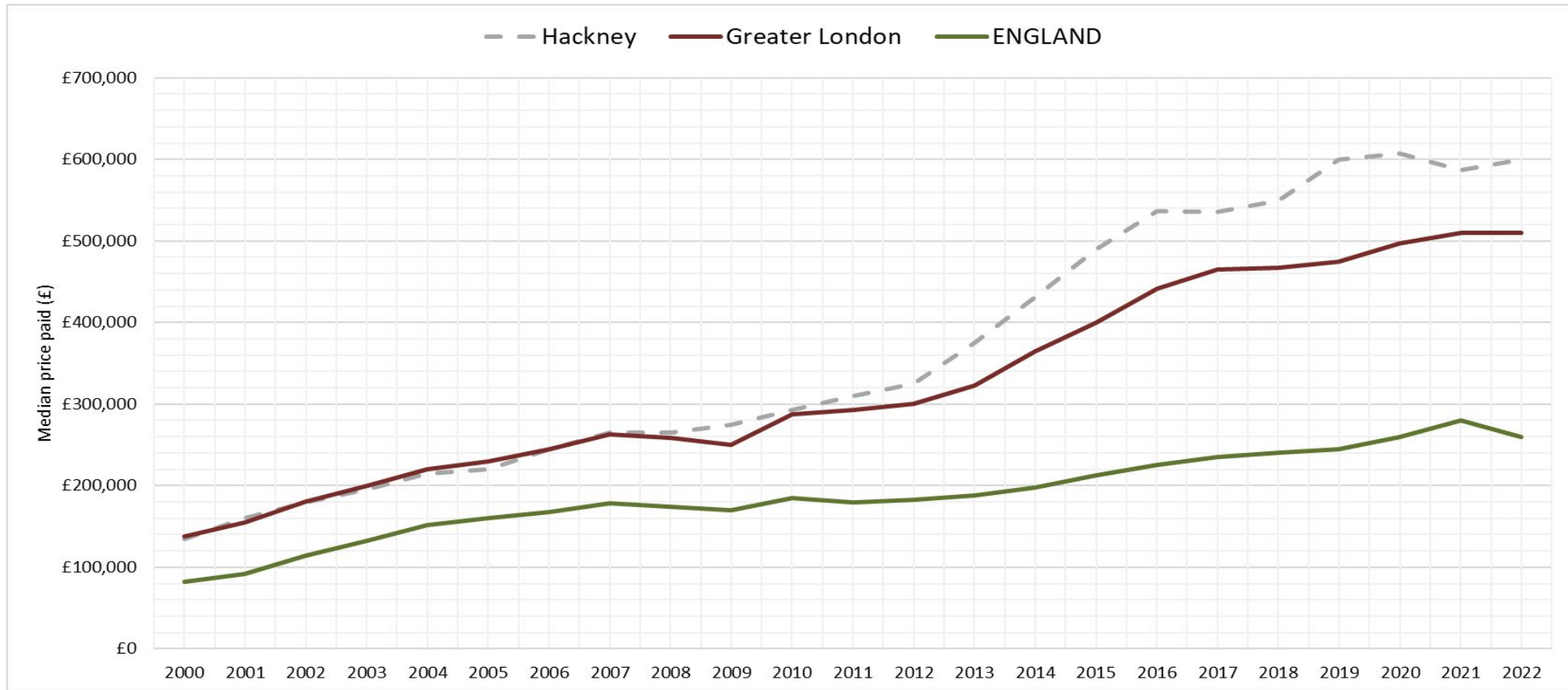


### Build to Rent March 2023



In total there were 1,413 Build to Rent units advertised of which 2.3% (32) were in Hackney

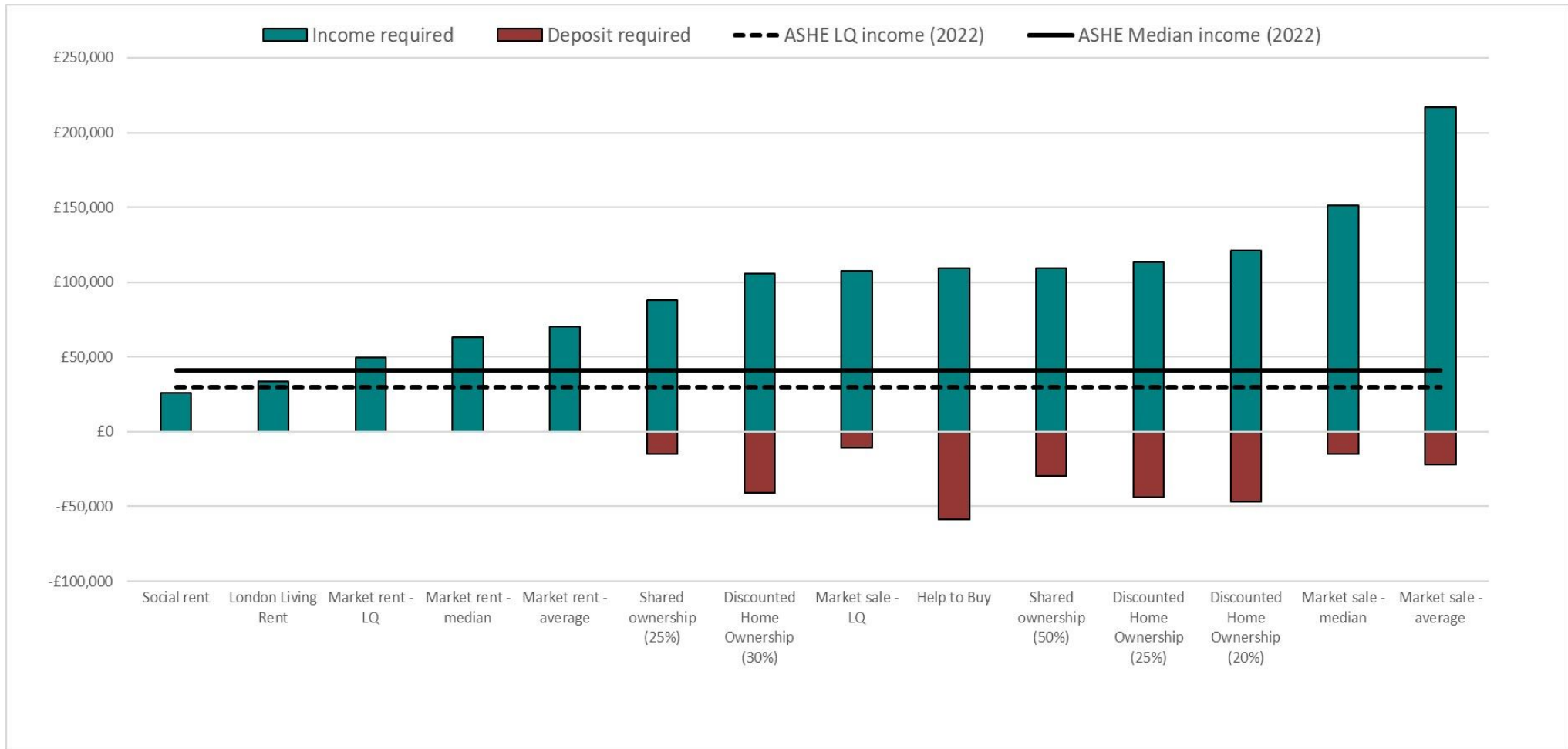
Source: Build to Rent io



Source: ONS House Price Statistics for Small Areas (HPSSAs) LQ and Median comparator 1995 onwards

House prices in Hackney have outgrown the London average and are now more than double the national average

# Challenges of Affordability



# Affordability of private rents by area

Sub-area	LQ Rent and Income				Median rent and income			
	Actual LQ rent 2022	LQ Gross household income 2022 (Monthly £)	% LQ income required to be spent on LQ rent	What would be an affordable rent based on actual LQ income	Actual Median rent 2022	Median Gross household income 2022 (Monthly £)	% median income required to be spent on median rent	What would be an affordable rent based on actual median income
Clapton and Lea Bridge	£1,406	£1,250	112.5	£313	£1,751	£1,250	140.1	£313
Dalston	£1,599	£1,250	127.9	£313	£1,898	£2,917	65.1	£729
Hackney Central	£1,560	£1,250	124.8	£313	£1,931	£2,083	92.7	£521
Hackney Wick	£1,651	£1,250	132.1	£313	£2,002	£2,083	96.1	£521
Homerton	£1,499	£1,250	119.9	£313	£1,850	£1,250	148.0	£313
Manor House	£1,651	£1,250	132.1	£313	£2,002	£1,250	160.2	£313
Shoreditch and Hoxton	£1,950	£1,250	156.0	£313	£2,535	£2,083	121.7	£521
Stamford Hill	£1,278	£1,250	102.2	£313	£1,599	£2,083	76.8	£521
<b>Hackney Borough</b>	£1,651	£1,250	132.1	£313	£2,102	£2,083	100.9	£521
<b>Area Action Plan</b>								
Shoreditch	£2,167	£2,083	104.0	£521	£2,799	£2,917	96.0	£729
Stamford Hill	£1,300	£1,250	104.0	£313	£1,651	£2,083	79.2	£521

# Affordability of home ownership by area

Sub-area	LQ Rent and Income				Median rent and income			
	Actual LQ price 2022	LQ Gross household income 2022 (Annual £)	Income multiple required (assumes 10% deposit)	What would be an affordable property based on a 3.5x income multiple	Actual median price 2022	Median Gross household income 20212(Annual £)	Income multiple required (assumes 10% deposit)	What would be an affordable property based on a 3.5x income multiple
Clapton and Lea Bridge	£400,000	£15,000	24.0	£52,500	£603,000	£15,000	36.2	£52,500
Dalston	£495,000	£15,000	29.7	£52,500	£665,000	£35,000	17.1	£122,500
Hackney Central	£445,000	£15,000	26.7	£52,500	£598,250	£25,000	21.5	£87,500
Hackney Wick	£420,000	£15,000	25.2	£52,500	£640,000	£25,000	23.0	£87,500
Homerton	£350,000	£15,000	21.0	£52,500	£409,000	£15,000	24.5	£52,500
Manor House	£416,000	£15,000	25.0	£52,500	£535,000	£15,000	32.1	£52,500
Shoreditch and Hoxton	£425,000	£15,000	25.5	£52,500	£600,000	£25,000	21.6	£87,500
Stamford Hill	£346,896	£15,000	20.8	£52,500	£445,000	£25,000	16.0	£87,500
<b>Hackney Borough</b>	£418,000	£15,000	25.1	£52,500	£587,750	£25,000	21.2	£87,500
<b>Area Action Plan</b>								
Shoreditch	£480,000	£25,000	17.3	£87,500	£765,000	£35,000	19.7	£122,500
Stamford Hill	£363,000	£15,000	21.8	£52,500	£460,000	£25,000	16.6	£87,500

## Home ownership remains unaffordable to almost all households on low to median incomes, except Shared Ownership for some

Property Prices			LQ	Median	Shared ownership (50%)	Shared ownership (25%)	Help to buy	Discounted Home Ownership (30%)	Discounted Home Ownership (25%)	Discounted Home Ownership (20%)
<b>Price&gt;&gt;</b>			£418,000	£587,750	£293,875	£146,938	£440,813	£411,425	£440,813	£470,200
<b>Price after deposit/loan&gt;&gt;</b>			£376,200	£528,975	£264,488	£132,244	£382,038	£370,283	£396,731	£423,180
Gross household income 2021 (Annual £)			Ratio of house price to income							
CAMEO UK Household Income	LQ income	£15,000	25.1	35.3	17.6	8.8	25.5	24.7	26.4	28.2
	Median income	£25,000	15.0	21.2	10.6	5.3	15.3	14.8	15.9	16.9
	Average income	£31,580	11.9	16.8	8.4	4.2	12.1	11.7	12.6	13.4
ONS Annual Survey of Hours and Earnings	ASHE LQ	£29,526	12.7	17.9	9.0	4.5	12.9	12.5	13.4	14.3
	ASHE Median	£41,085	9.2	12.9	6.4	3.2	9.3	9.0	9.7	10.3
	ASHE Average	£57,397	6.6	9.2	4.6	2.3	6.7	6.5	6.9	7.4
Occupation		Wage	Ratio of house price to income							
<b>Police officer*</b>										
Pay Point 0		£21,402	17.6	24.7	12.4	6.2	17.9	17.3	18.5	19.8
Pay Point 2		£25,902	14.5	20.4	10.2	5.1	14.7	14.3	15.3	16.3
Pay Point 4		£28,158	13.4	18.8	9.4	4.7	13.6	13.2	14.1	15.0
<b>Nurse**</b>										
Band 1		£20,270	18.6	26.1	13.0	6.5	18.8	18.3	19.6	20.9
Band 3		£21,730	17.3	24.3	12.2	6.1	17.6	17.0	18.3	19.5
Band 5		£27,055	13.9	19.6	9.8	4.9	14.1	13.7	14.7	15.6
<b>Fire officer***</b>										
Trainee		£24,191	15.6	21.9	10.9	5.5	15.8	15.3	16.4	17.5
Competent		£32,244	11.7	16.4	8.2	4.1	11.8	11.5	12.3	13.1
<b>Teacher****</b>										
Unqualified (min)		£18,419	20.4	28.7	14.4	7.2	20.7	20.1	21.5	23.0
Main pay range (min)		£25,714	14.6	20.6	10.3	5.1	14.9	14.4	15.4	16.5
<b>Minimum/Living Wage*****</b>										
Single household (25 and over)		£16,216	23.2	32.6	16.3	8.2	23.6	22.8	24.5	26.1
1xFull-time, 1xPart-time		£24,324	15.5	21.7	10.9	5.4	15.7	15.2	16.3	17.4
Two working adults		£32,432	11.6	16.3	8.2	4.1	11.8	11.4	12.2	13.0
Single household (21-24)		£15,215	24.7	34.8	17.4	8.7	25.1	24.3	26.1	27.8
1xFull-time, 1xPart-time		£22,823	16.5	23.2	11.6	5.8	16.7	16.2	17.4	18.5
Two working adults		£30,430	12.4	17.4	8.7	4.3	12.6	12.2	13.0	13.9

### Key

Up to 3.5x	2.9
Between 3.5x and 5x	4.2
5x or more	6.5

# Affordable Need

- Gross annual need for 3,342 affordable dwellings
- Net annual need for 1,780 affordable dwellings
- Housing needs survey will help to determine tenure and dwelling mix
- Affordable tenure split 80:20 rented vs affordable home ownership

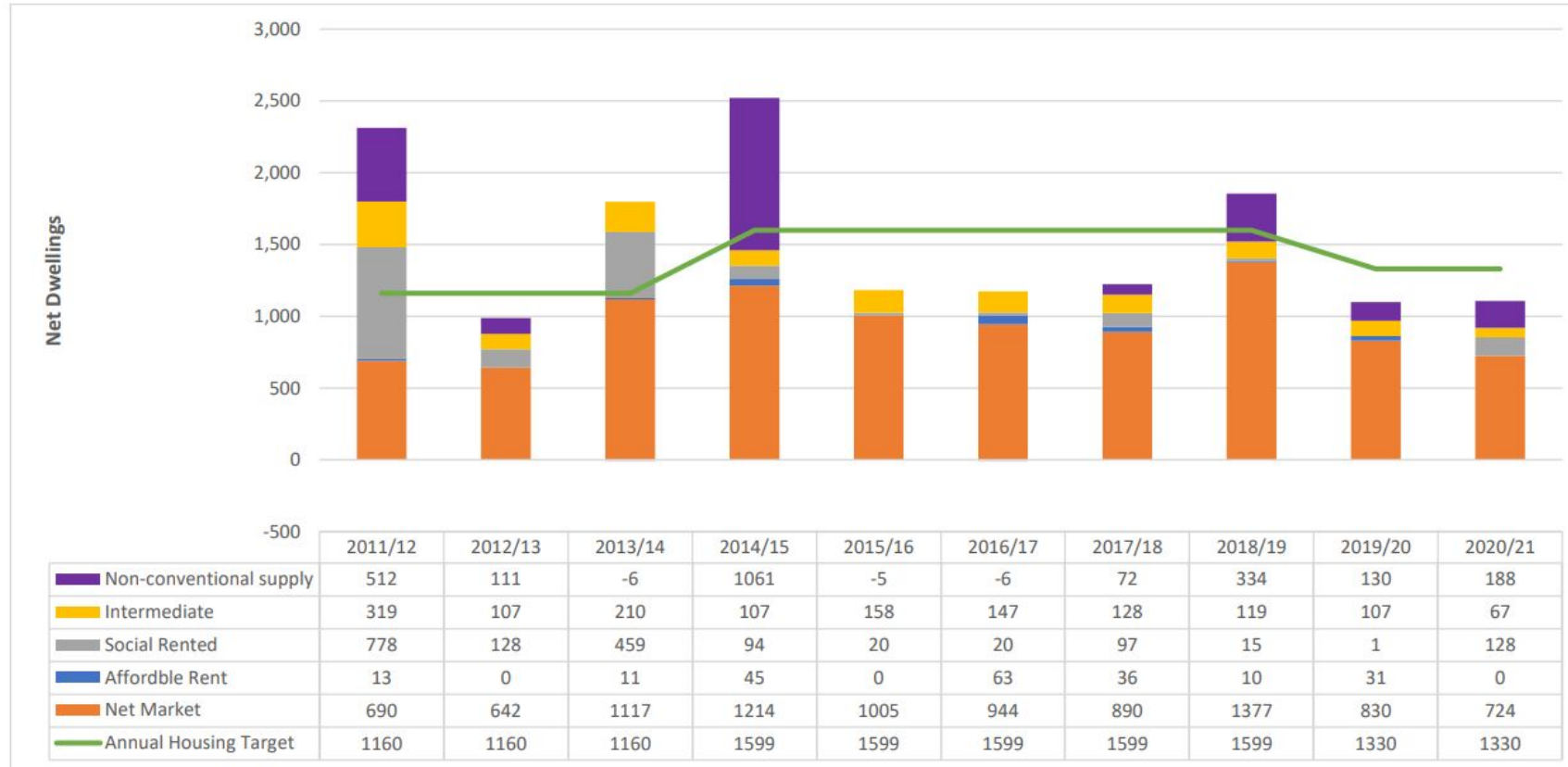
Over 8,500 households on the waiting list  
 – rising number in priority need  
 (increased from 18% in 2014 to 34% in 2021)

Average waiting time for 1 bed is 3 years, while  
 2/3/4-bed units are 13 years and 5-bed units have a  
 waiting time of 39 years.

Sub-area	Social rent / Affordable Rent(%)	London Living Rent	Total Rented (%)	Shared ownership (%)	Discounted Market Sale (%)	First Homes (%)	Rent to Buy (%)	TOTAL Intermediate tenures (%)
Clapton and Lea Bridge	51.0	38.1	<b>89.1</b>	1.8	2.8	4.5	1.8	<b>10.9</b>
Dalston	39.6	25.7	<b>65.3</b>	5.8	8.9	14.2	5.8	<b>34.7</b>
Hackney Central	52.7	38.5	<b>91.2</b>	1.5	2.3	3.6	1.5	<b>8.8</b>
Hackney Wick	44.4	33.9	<b>78.3</b>	3.6	5.6	8.9	3.6	<b>21.7</b>
Homerton	50.0	34.8	<b>84.8</b>	2.5	3.9	6.2	2.6	<b>15.2</b>
Manor House	47.7	36.6	<b>84.3</b>	2.6	4.0	6.4	2.6	<b>15.7</b>
Shoreditch and Hoxton	43.5	28.8	<b>72.3</b>	4.6	7.1	11.3	4.7	<b>27.7</b>
Stamford Hill	42.7	30.3	<b>73.0</b>	4.5	6.9	11.0	4.5	<b>27.0</b>
<b>Hackney Borough</b>	46.4	32.8	<b>79.2</b>	<b>3.5</b>	<b>5.3</b>	<b>8.5</b>	<b>3.5</b>	<b>20.8</b>

# Housing Supply

Dwelling completions compared with the annual requirement, 2011/12 to 2020/21

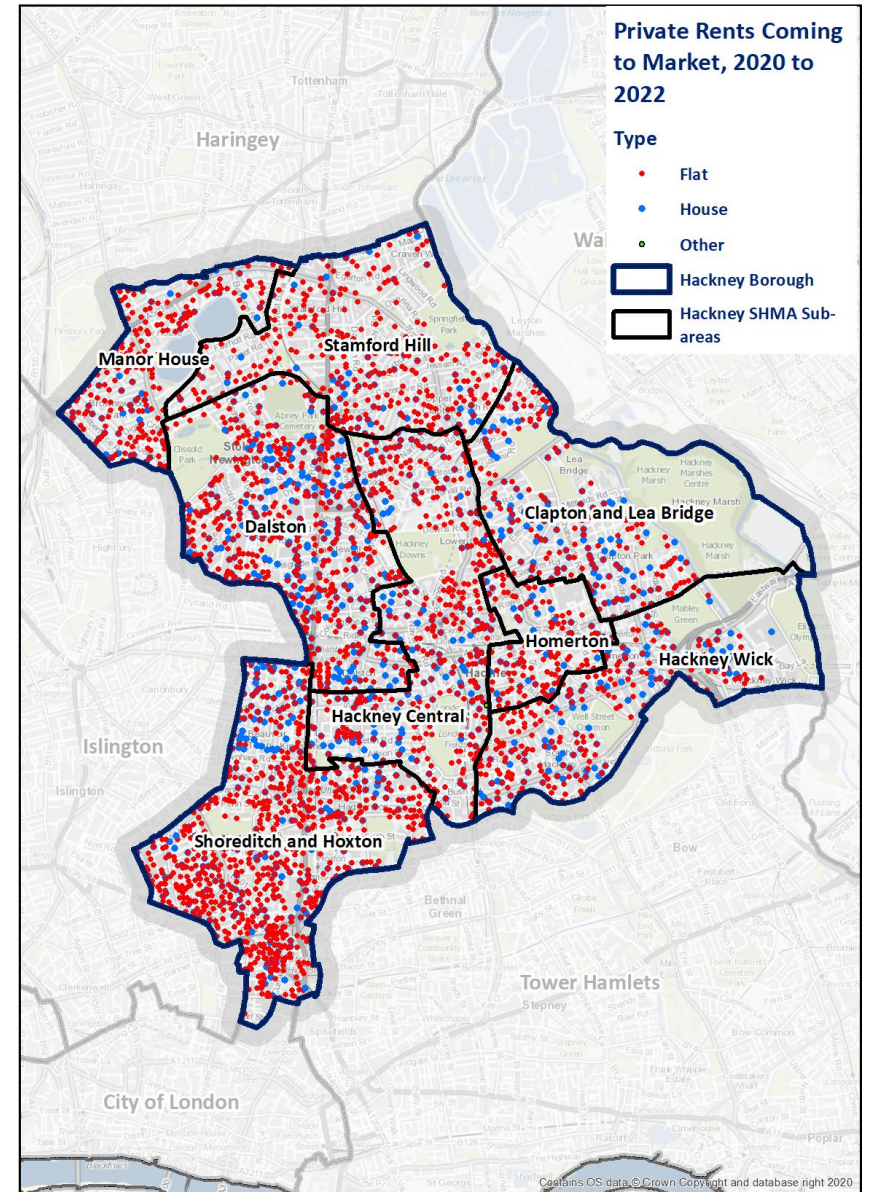


Source: Council Annual Monitoring Returns/Reports

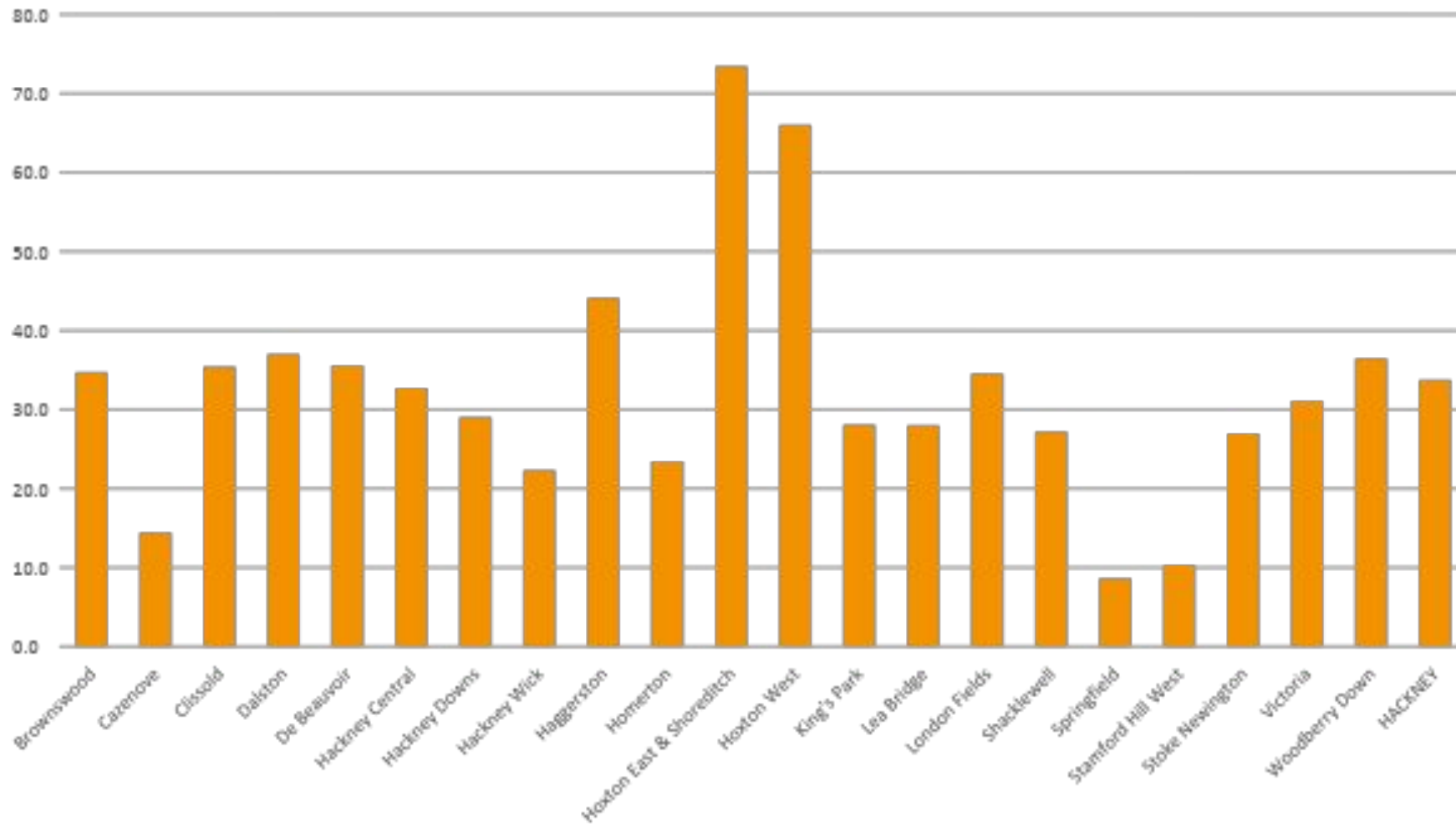




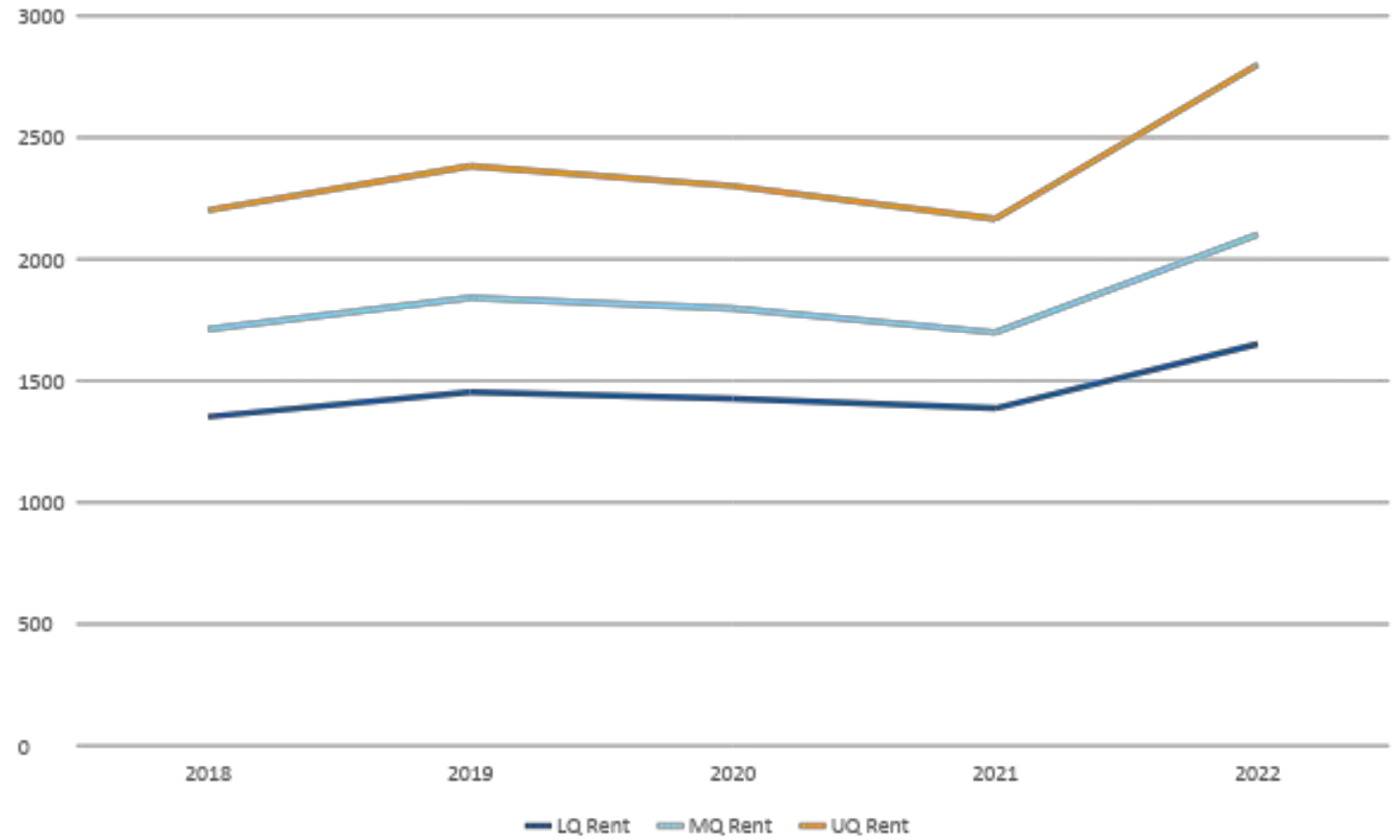
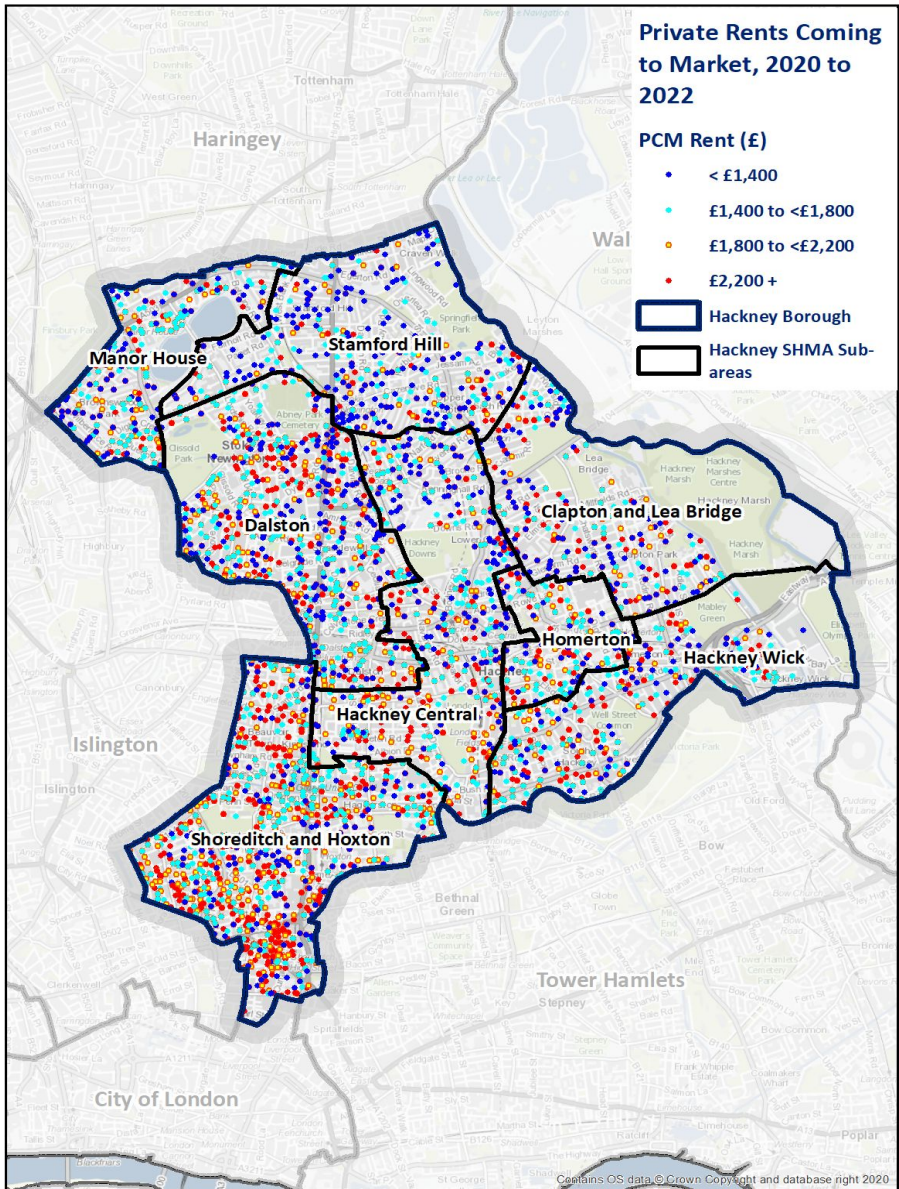
Source Zoopla Lettings 2022



### Lettings Turnover 2018-2022



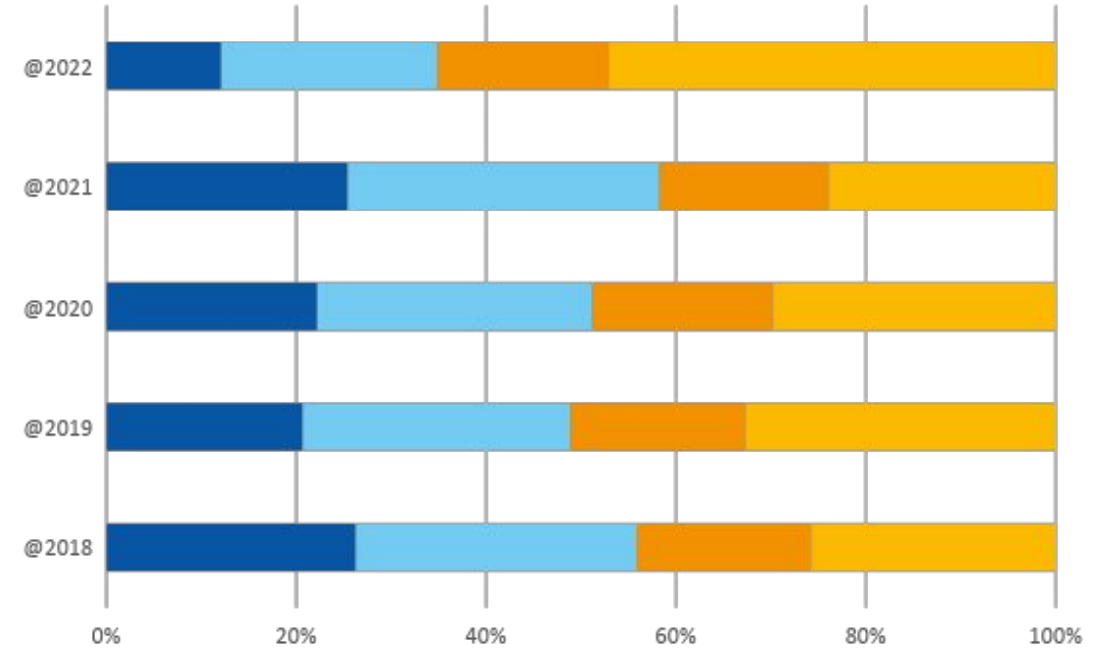
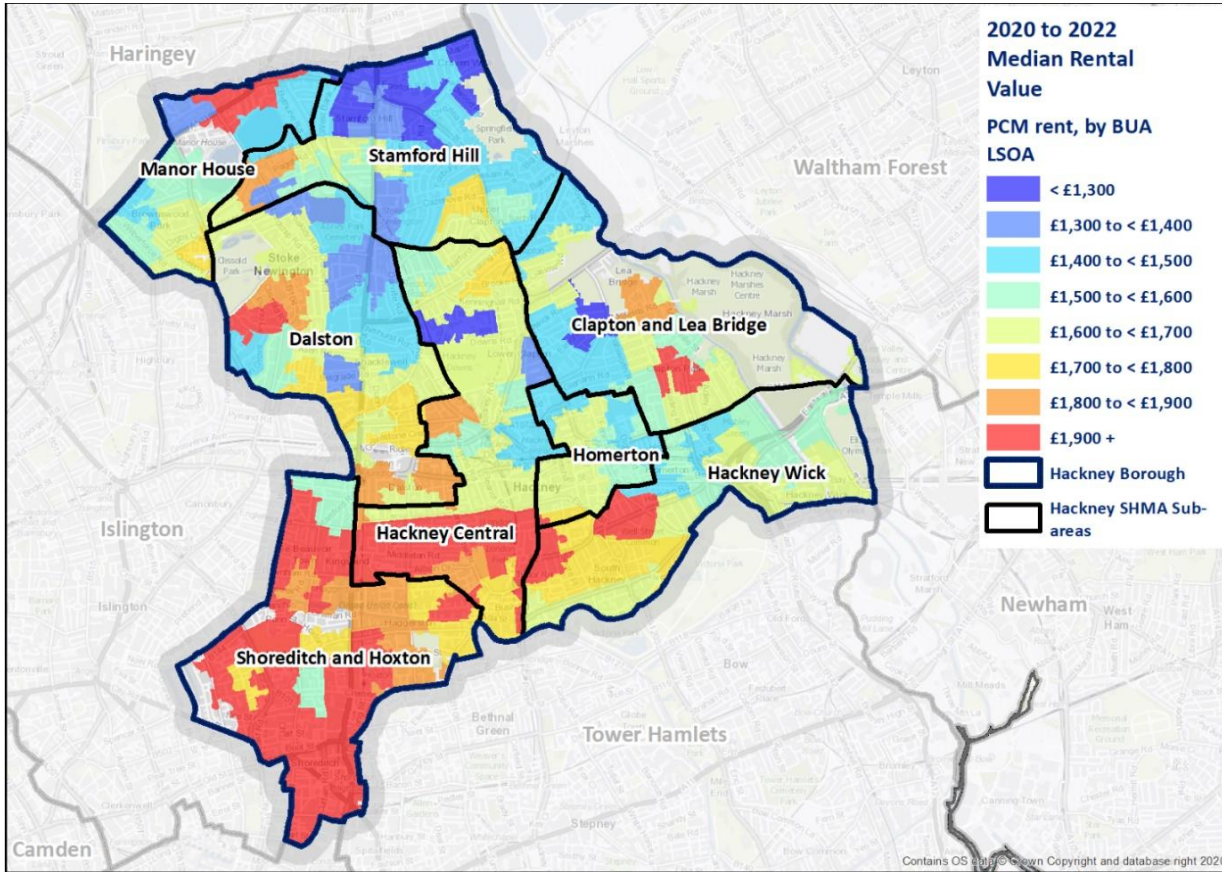
Source Zoopla Lettings 2022 and census 2022



Source Zoopla Lettings 2022

Lower, Upper & Median Quartile rents all increased significantly since 2021

Significant shift towards higher value rents, particularly over 2021/22. But still significant geographical differences between cheaper north and more expensive south.

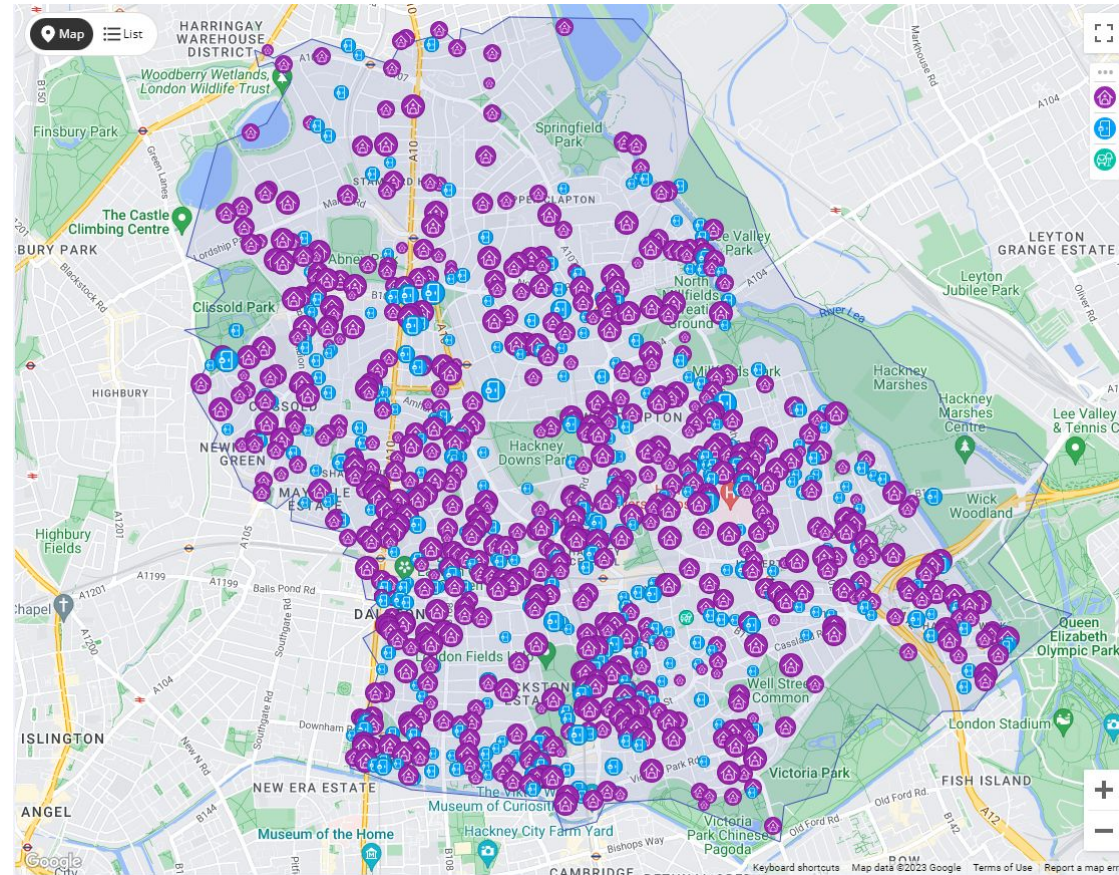


Source Zoopla Lettings 2022

■ <1400   ■ 1400-1800   ■ 1800-2200   ■ 2200

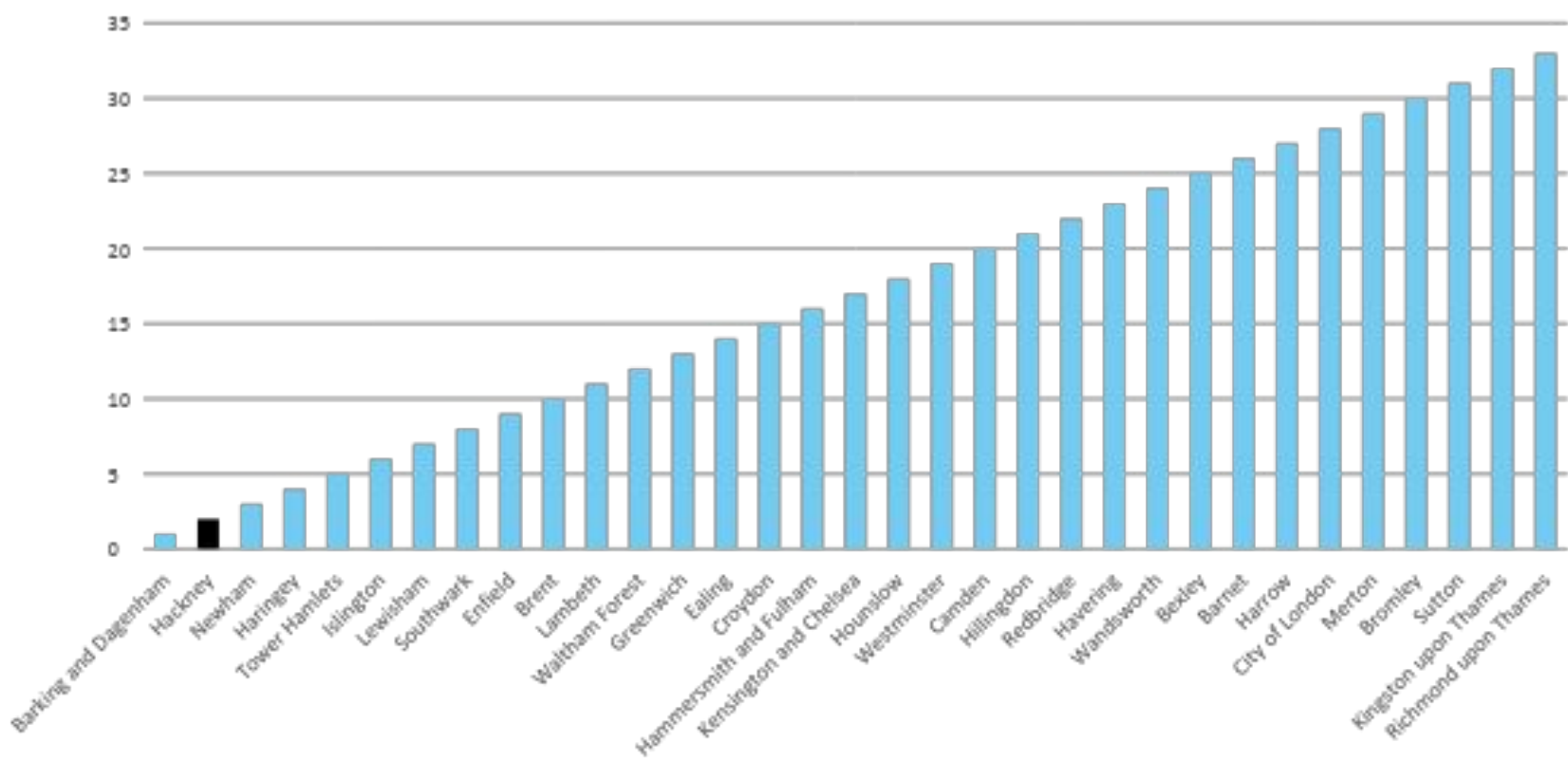
# Short Term Lets

Q4 2022- there were 15,827 properties listed and 1,532 active



Source <https://www.airdna.co/>

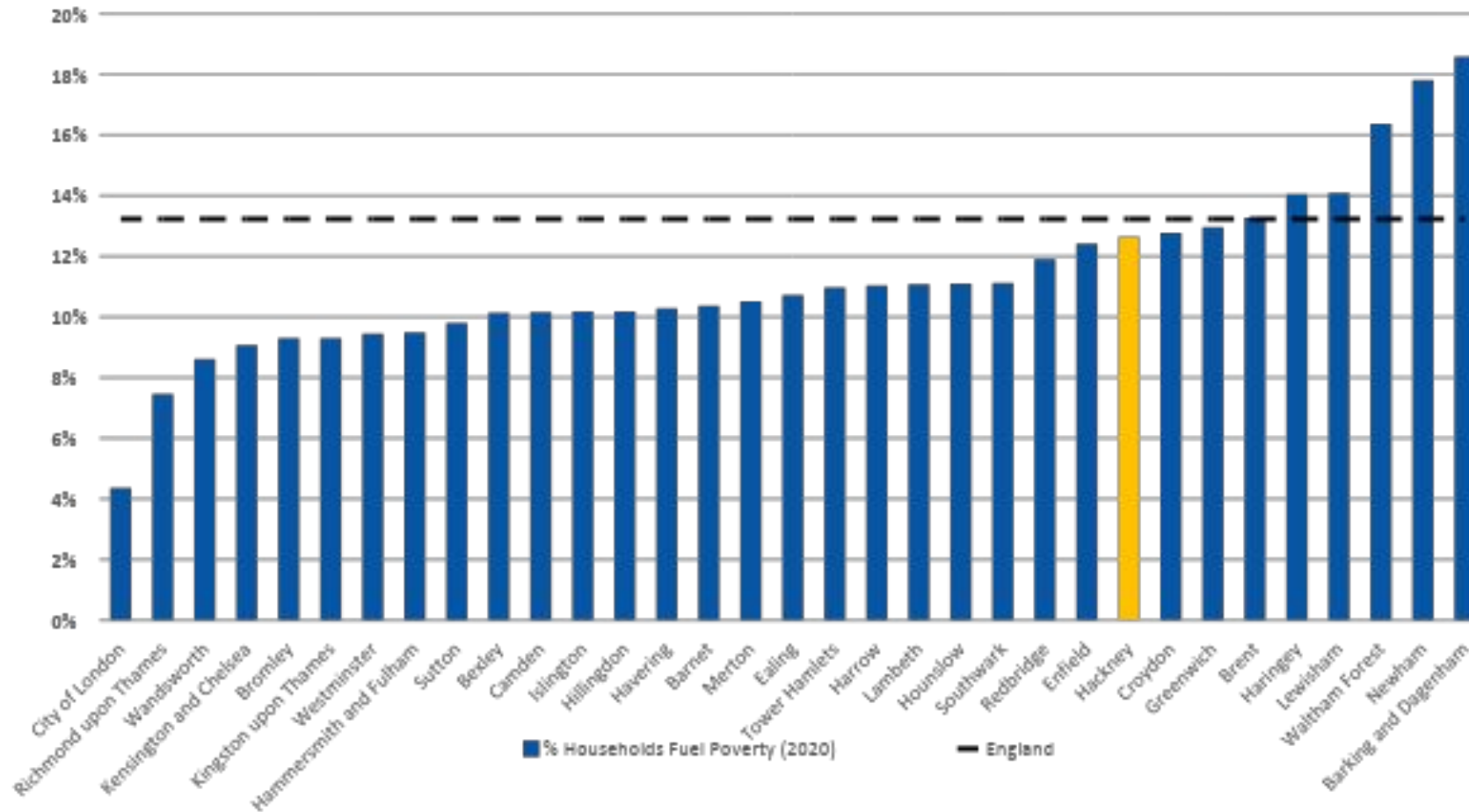
### Deprivation by London borough



Hackney is the 22<sup>nd</sup> most deprived borough across all English Districts and the 2<sup>nd</sup> most deprived across London.

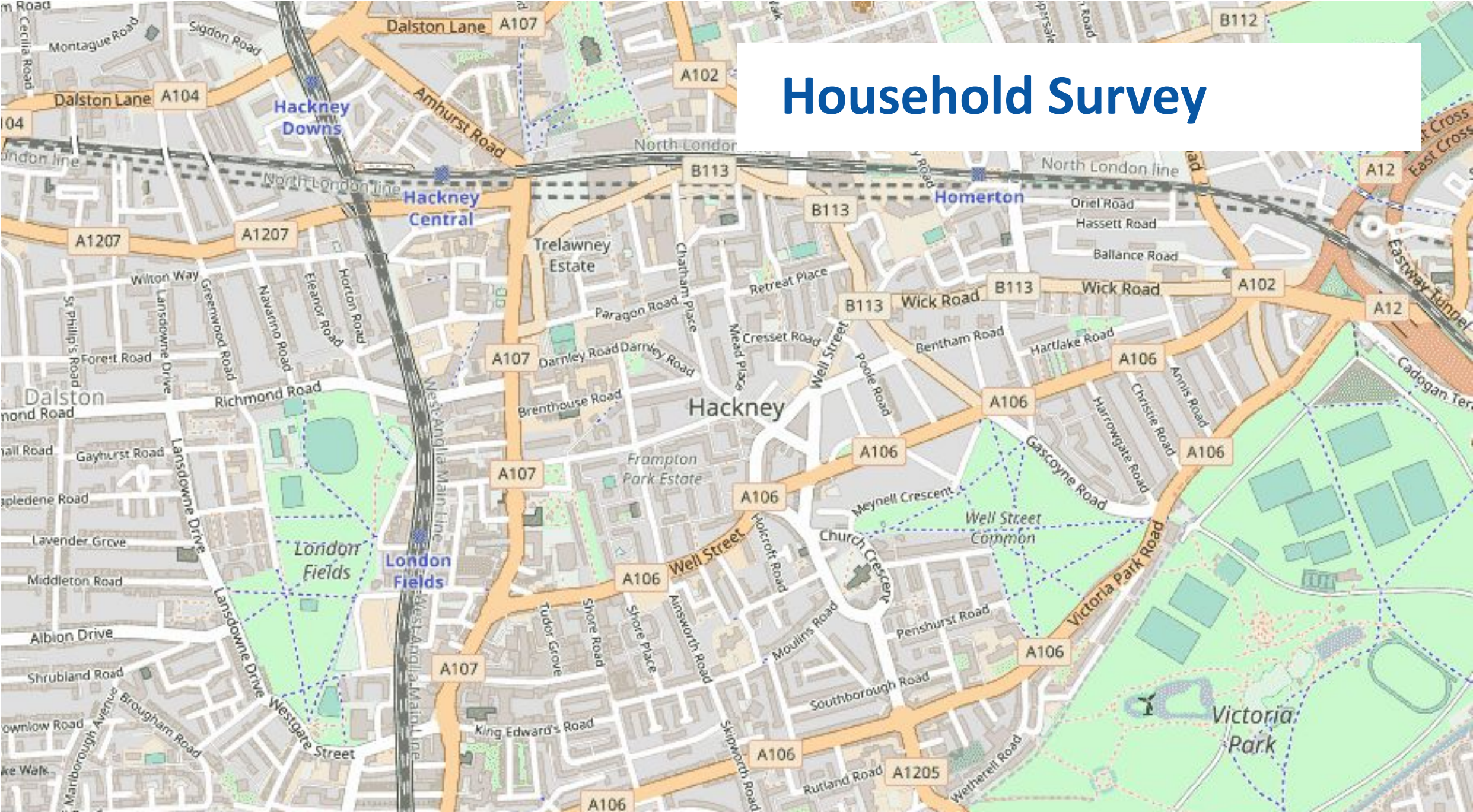
Source: The English Indices of Deprivation 2019

### % Living in Fuel Poverty by London Borough



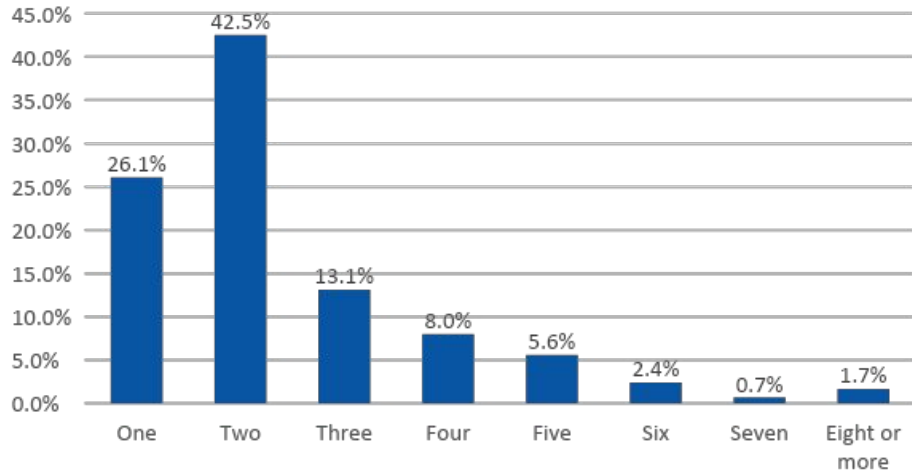
Below the national average for fuel poverty but one of the most effected boroughs in London. Likely owing to property age and household income

# Household Survey

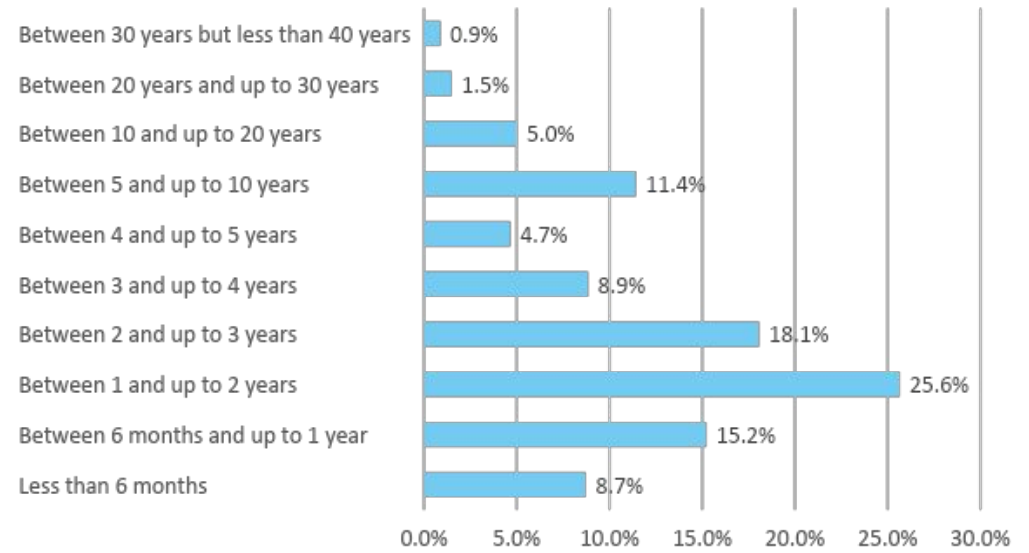




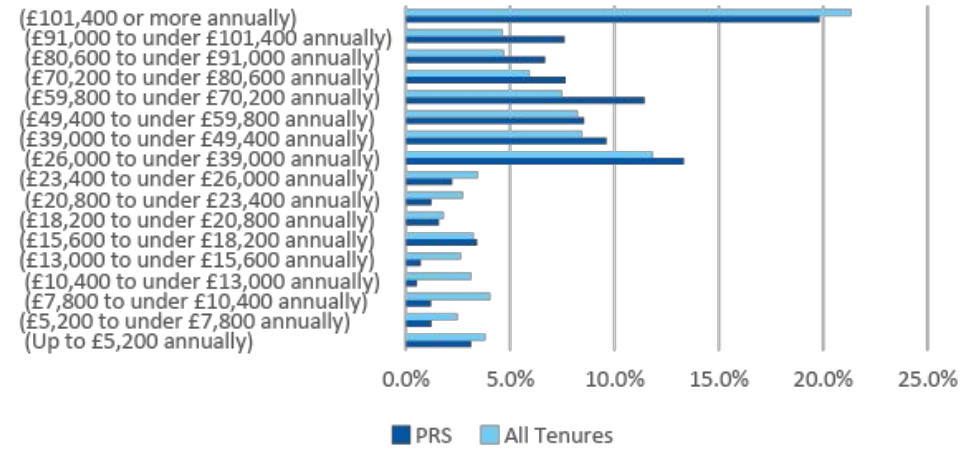
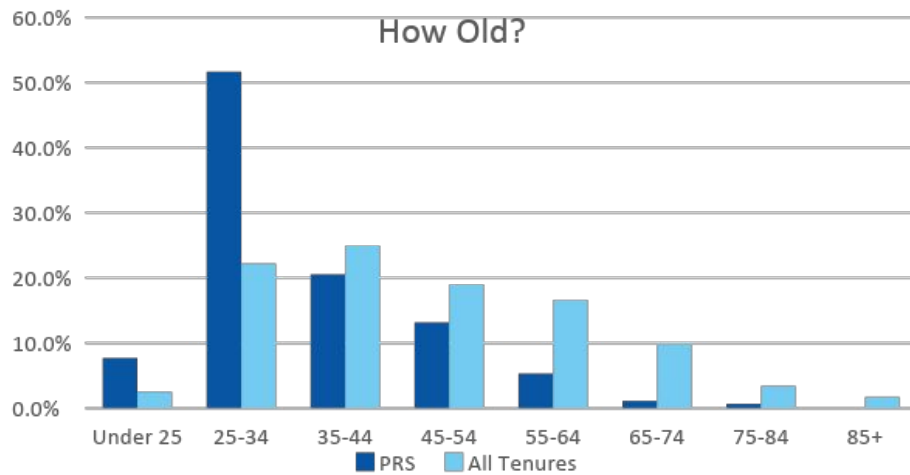
### How Many?



### How Long?

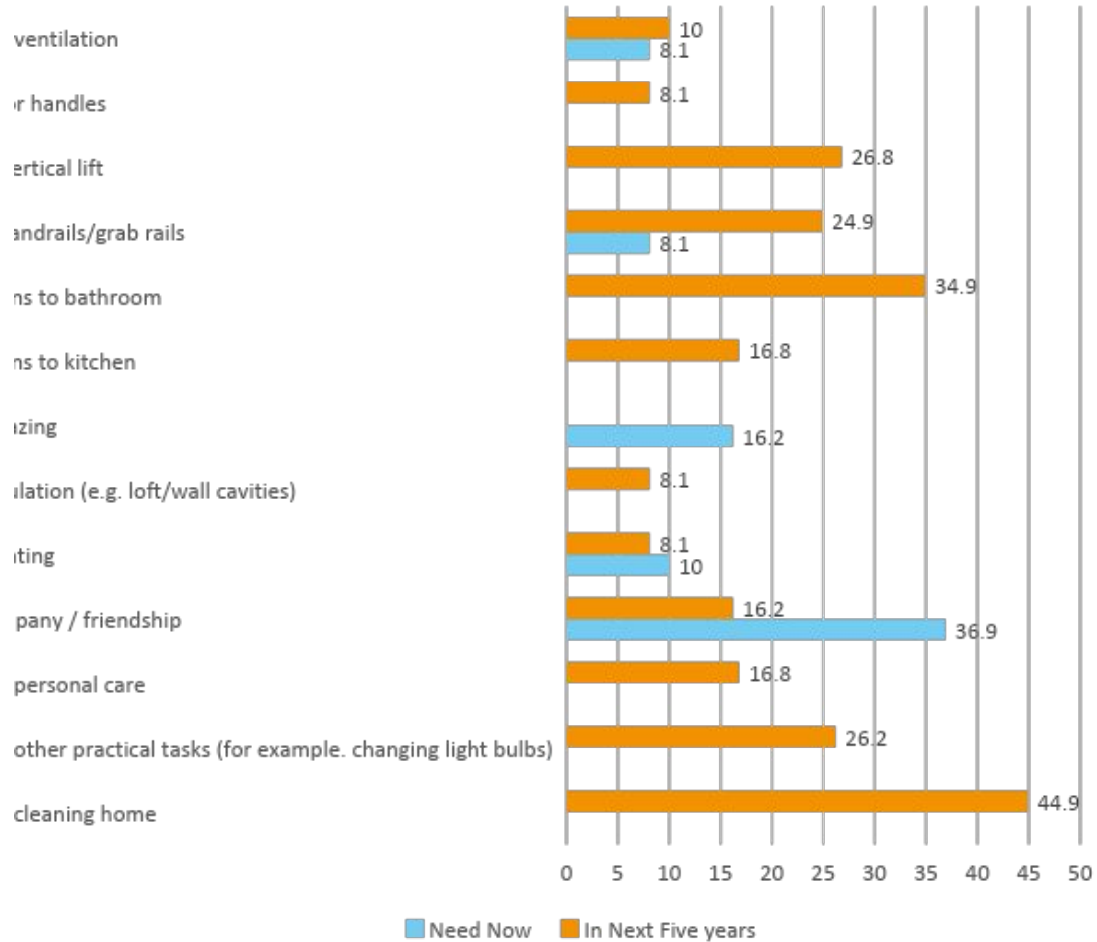


### How Old?

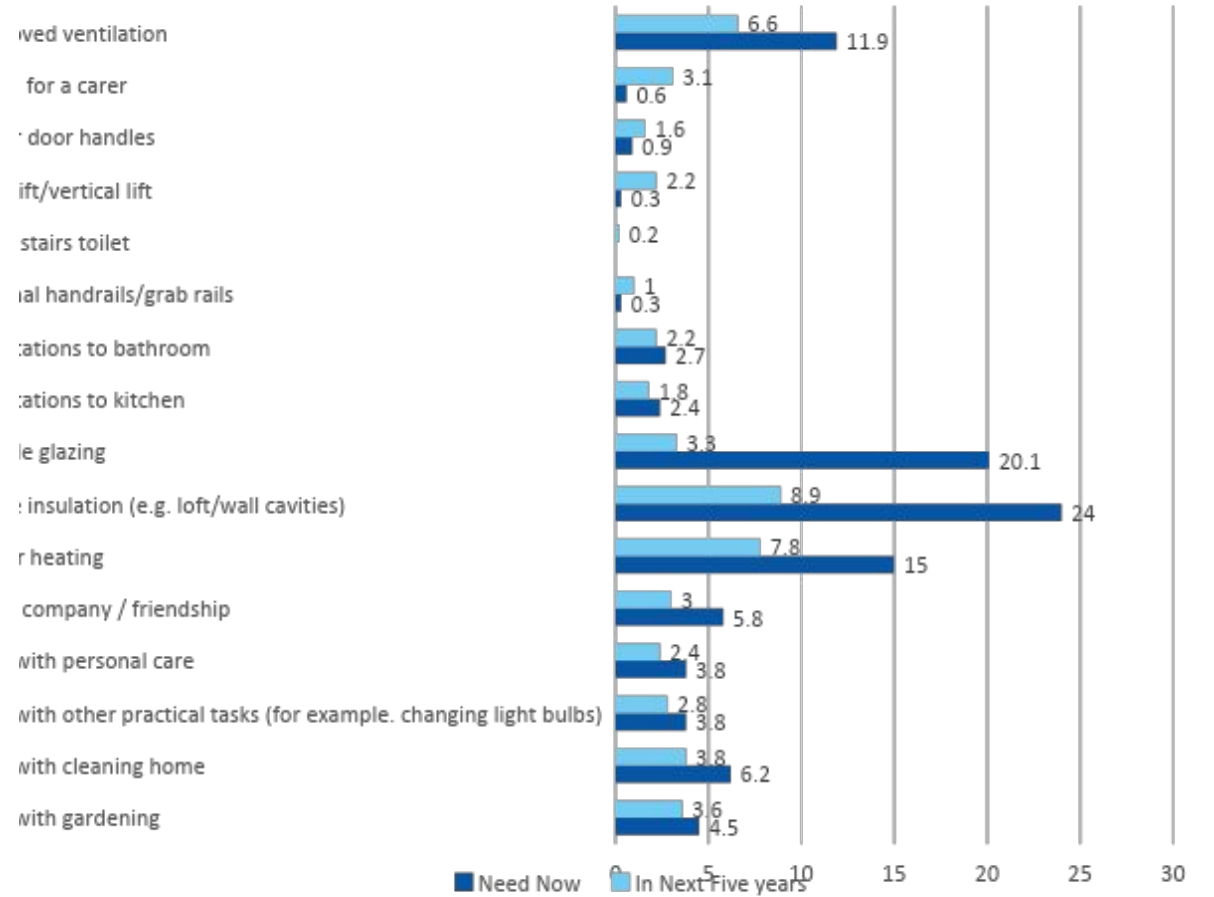


Source: Household survey 2023

### Support Needs Above 65

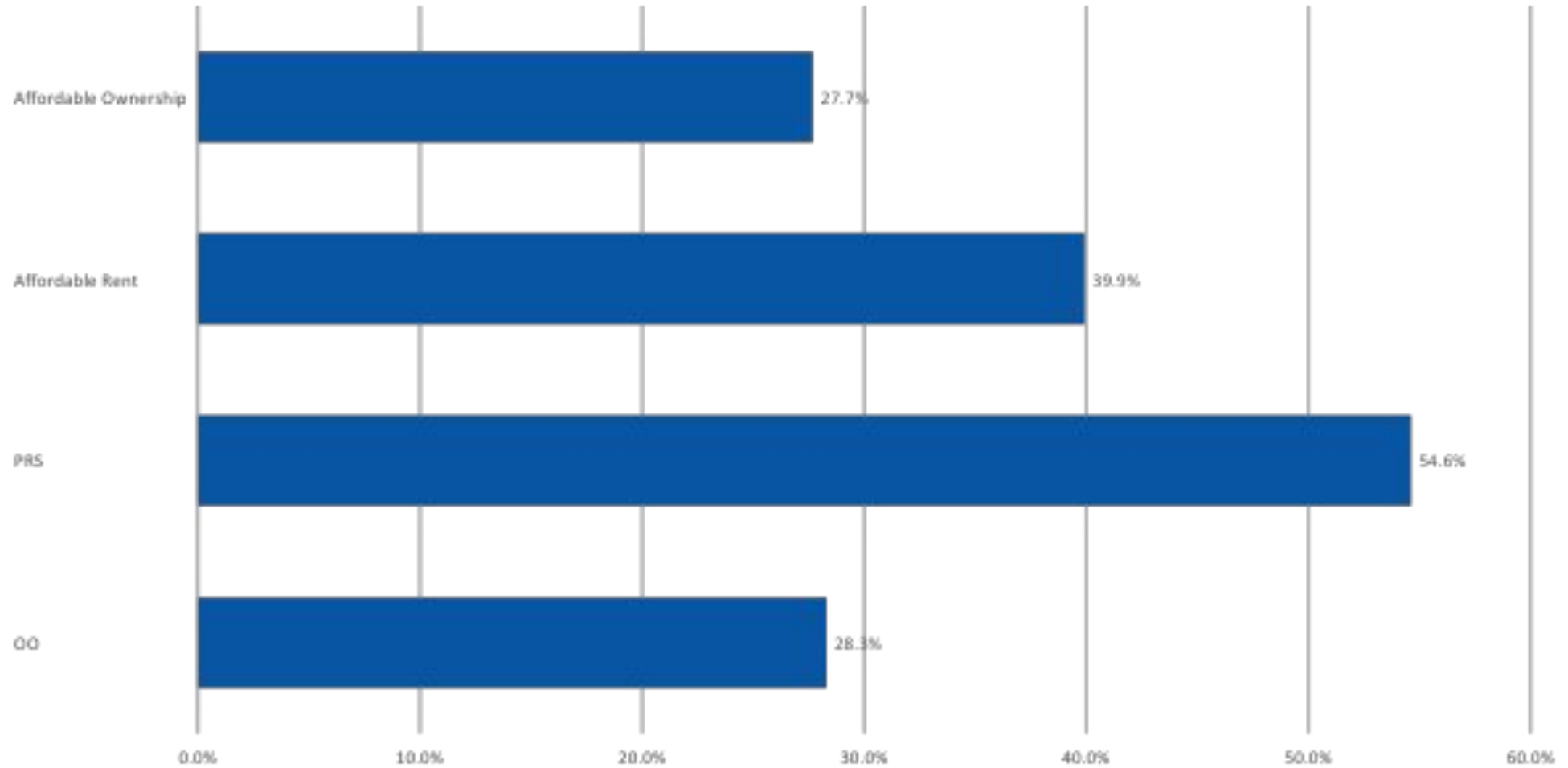


### Support Needs below 65



Source: Household Survey 2023

### Plans of Newly Forming Households



Source: Household Survey 2023

# The Needs of Older People

- The number of people aged 65+ is expected to increase by 24% by 2037
- 80% of stakeholders disagreed that Hackney has enough provision of specialist accommodation for people as they age
- 50% of older people want to remain in their current home with help and support when needed
- 8% of all households require care and support to enable them to stay in their home. This is highest amongst the 75-84 age group and those living in social housing
- 10% of older people planning to move would like to move to a property with fewer bedrooms, 56% would like to move to a property with the same number of bedrooms, and 35% would like a larger property
- The Household Survey also provides information on a range of practical assistance required from households by age group (*see right*)
- There are 1,991 units of specialist older persons accommodation, whilst need analysis confirms a net need for 3,547 additional units over the period 2022 to 2039
- The Household Survey identified a total of 808 households interested in co-housing

Type of help needed now or in next 5 years	% households needing help by age group of HRP			
	Under 65	65-74	75+	All
Help with repair and maintenance of home	28.4%	48.7%	39.5%	30.8%
Help with gardening	9.2%	15.8%	24.9%	10.5%
Help with cleaning home	13.1%	33.2%	28.2%	15.7%
Help with other practical tasks	11.4%	29.6%	29.9%	14.0%
Help with personal care	8.6%	22.0%	26.2%	10.7%
Want company / friendship	9.4%	18.3%	13.9%	10.5%
Base (all households)	91,286	10,138	4,678	106,102

# Housing For People with Specific Needs

- The Household Survey suggests there was at least one person with an illness/disability in 32% of households
- Stakeholders report difficulty in obtaining the capital investment needed to deliver new supported housing schemes
- Overall, 37% of Black and Global Majority households were in some form of housing need compared with 20% of all households
- Over-crowded households and people with mobility issues/other special needs were key reasons for Black and Global Majority housing need
- There are currently 18 allocated tenancies available for over 400 care leavers annually

Illness/disability	Number of people	% of total Population
Physical/mobility impairment	11,201	3.9%
Learning disabilities	4,225	1.5%
Autism <sup>63</sup>	6,173	2.1%
Mental health issue	16,584	5.7%
Visual impairment	2,941	1.0%
Hearing impairment	4,128	1.4%
Long-standing illness or health condition	232	0.1%
Older age related illness or disability (e.g. dementia, stroke)	4,975	1.7%
Other	14,323	4.9%
Total population	290,891	
Total number of people with an illness/disability	44,241	15.2%
Households with at least one person with an illness/disability	Number of households	% of households
Total	34,376	32.4%

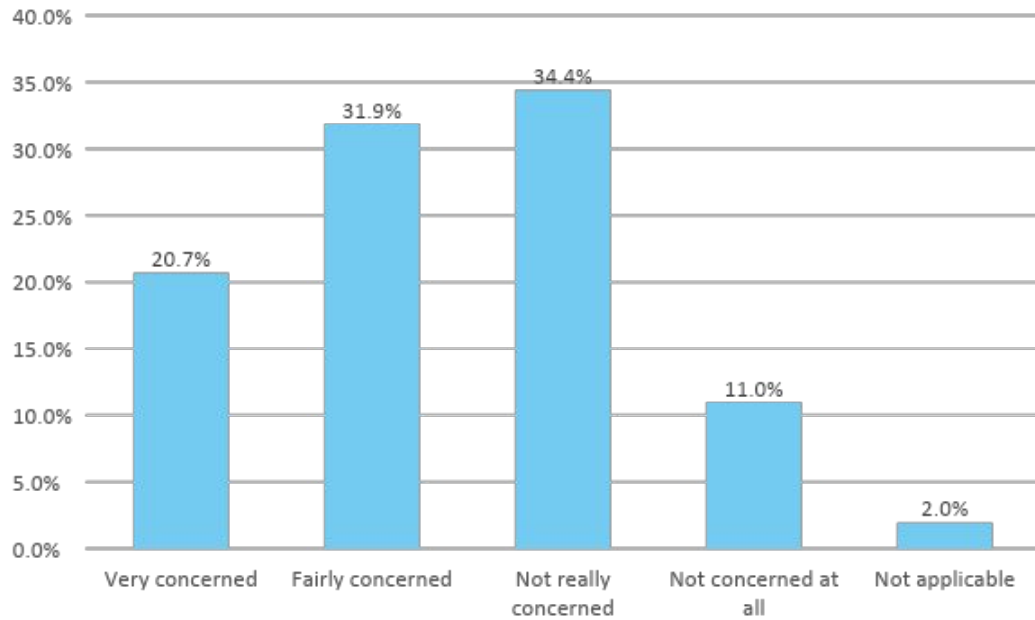
# How are residents doing?

Tenure	Living comfortably %	Doing alright %	Just about getting by %	Finding it quite difficult %	Finding it very difficult %	Total	Base	% just getting by or experiencing difficulties
Owner occupied	38.7	44.8	11.0	4.6	1.0	100.0	31,128	16.5
Private Rented	18.9	42.0	23.1	10.6	5.4	100.0	19,031	39.1
Social rented	5.7	27.9	39.3	16.3	10.8	100.0	29,947	66.4
<b>Total</b>	<b>21.6</b>	<b>37.8</b>	<b>24.5</b>	<b>10.4</b>	<b>5.7</b>	<b>100.0</b>	<b>80,106</b>	<b>40.5</b>
Tenure	Living comfortably %	Doing alright %	Just about getting by %	Finding it quite difficult %	Finding it very difficult %	Total	Base	% just getting by or experiencing difficulties
< 25	12.8	36.5	20.4	26.3	4.0	100.0	1808	50.7
25-34	26.4	41.1	22.0	8.1	2.4	100.0	17,461	32.5
35-44	22.3	42.7	18.9	10.4	5.7	100.0	19,949	35.0
45-54	17.4	36.4	30.0	10.5	5.7	100.0	14,544	46.2
55-64	22.4	32.9	25.2	10.0	9.4	100.0	12,798	44.6
65-74	19.9	33.5	24.3	15.8	6.5	100.0	8,039	46.6
75-84	31.2	35.6	31.2	0.0	2.0	100.0	2,143	33.2
85+	0.0	80.3	0.0	19.7	0.0	100.0	684	19.7
<b>TOTAL</b>	<b>21.6</b>	<b>37.8</b>	<b>24.5</b>	<b>10.4</b>	<b>5.7</b>	<b>100.0</b>	<b>80,106</b>	<b>40.5</b>

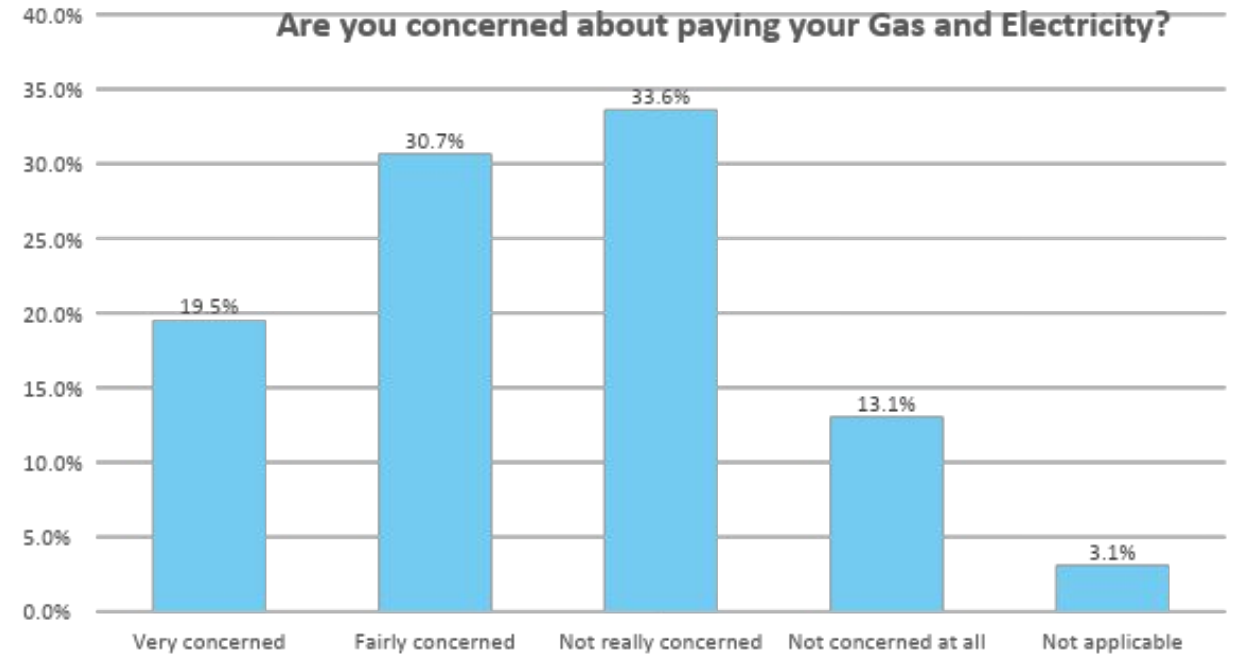
47% of respondents identified financial security as one of the top issues that impact on their health and wellbeing and reducing the cost of living was identified as the top priority that would have the biggest impact on health and wellbeing.

Source: Household Survey 2023

### Are you concerned about paying your rent?



### Are you concerned about paying your Gas and Electricity?



# Stakeholder feedback

67% of stakeholders agreed or strongly agreed that Hackney needs more low-cost housing options such as shared ownership

88% of residents considered improving repair services as important or very important

Stakeholders identified a need for all forms of affordable housing, but particularly for social rented homes which are in very short supply

55% of residents considered building new council and housing association homes for social rent to be “important” or “very important”

88% prioritised housing those on the waiting list as “important” or “very important”

Post-pandemic agents report receiving 10-15 offers per rental property

The poor condition or quality of existing homes in Hackney was considered as one of the top 5 challenges facing Hackney.

77% of residents are satisfied or very satisfied with their neighbourhood as a place to live. 32% consider their neighbourhood has got better in the past two years and 21% think it has got worse

17% said they don't feel safe because of the high volume of crime, and especially serious crimes (mugging, stabbing, shooting) happening in their area with no visible police presence, no lighting and not enough CCTV.



# Discussion & Feedback

